Form 3160-3 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED OMB No. 1004-0136 Expires July 31, 2010

5.	Lease Serial No.
	UTU01304

If Indian, Allottee or Tribe Name

APPLICATION FOR PERMIT TO DRILL OR REENTER

						╛		
1a. Type of Work:	DRILL REEN	ITER				7. If Unit or CA A	Agreement, Name /ELLS UNI	and No.
1b. Type of Well:	Dil Well 🛛 🖸 Gas V	Vell 🔲 Oth	er (Single Zone	☐ Multiple Zone	8. Lease Name an CHAPITA WE	nd Well No. ELLS UNIT 745-0	06
Name of Operator EOG RESOURCES	S, INC.	Contact: E-Mail: mary_ma	MARY A. MA nestas@eogresou	ESTAS urces.com		9. API Well No. 43	·847·3993	19
3a. Address 3b. Phone No. (include area code) 600 17TH STREET SUITE 1000N Ph: 303-824-5526 DENVER, CO 80202 Ph: 303-824-5526						10. Field and Poo NATURAL E	ol, or Exploratory BUTTES/WASA	ATCH
4. Location of Well (Re	port location clearly	and in accorda	ice with any Stat	te requirements.*)		11. Sec., T., R., M., or Blk. and Survey or Area		
At surface	SESW 490FSL	1959FWL 4	0.05914 N La	at, 109.37191 \	V Lon	Sec 6 T9S R23E Mer SLB		
At proposed prod. zon	ne SESW 490FSL	1959 FW L 4	0.05914 N La	at, 109.37191 \	V Lon			
14. Distance in miles and 51.15 MILES SOU	direction from neares TH OF VERNAL,	t town or post o UT	ffice*			12. County or Par UINTAH CC		13. State UT
 15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 490' 16. No. of Acres in Lease 2451.00 					17. Spacing Unit	dedicated to this w	vell	
18. Distance from propose completed, applied fo		well, drilling,	19. Proposed I	Depth		20. BLM/BIA Bo	ond No. on file	
40'	n, on uns icase, it.		7550 MD			NM2308		
21. Elevations (Show whe	22. Approxima	ate date work will	start	23. Estimated duration 45 DAYS				
								

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- 1. Well plat certified by a registered surveyor.
- A Drilling Plan.
 A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- 6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signifure (Electro/lig/Submission) \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	Name (Printed/Typed) MARY A. MAESTAS Ph: 303-824-5526	Date 02/01/2008
Title REGULATORY ASSISTANT		
Approved by (Signature)	Name (Printed/Typed) BRADI FY G HIII	Date 07-11-08
Title	Office ENVIRONMENTAL MANAGER	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #58392 verified by the BLM Well Information System RECEIVED For EOG RESOURCES, INC., sent to the Vernal

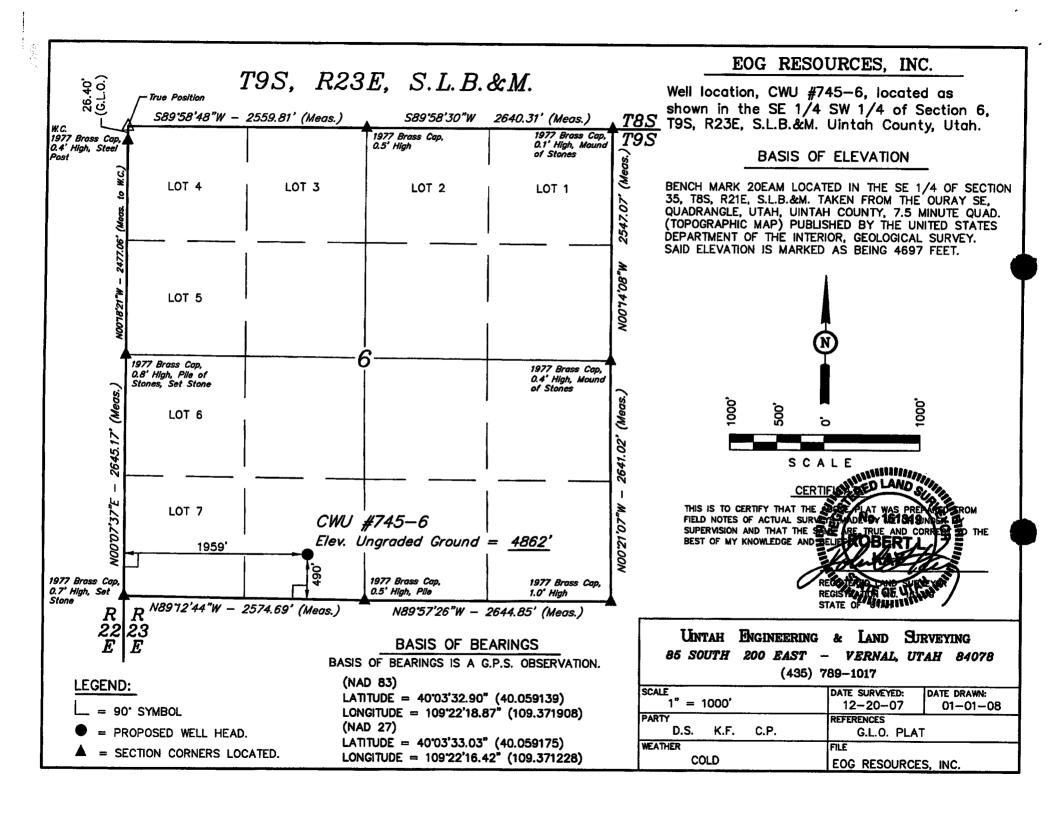
638916X 4435388Y 40.059194 -109.371251

Federal Approval of this Action is Necessary

FEB 0 4 2008

DIV OF OIL, GAS & MINING

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **



CHAPITA WELLS UNIT 745-06 SE/SW, SEC. 6, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,930		Shale	
Wasatch	4,933	Primary	Sandstone	Gas
Chapita Wells	5,522	Primary	Sandstone	Gas
Buck Canyon	6,174	Primary	Sandstone	Gas
North Horn	6,874	Primary	Sandstone	Gas
KMV Price River	7,349		Sandstone	
TD	7,550			

Estimated TD: 7,550' or 200'± TD

Anticipated BHP: 4,122 Psig

- 1. Fresh Waters may exist in the upper, approximately 1,000 ft \pm of the Green River Formation, with top at about 2,000 ft \pm .
- 2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	<u>Hole</u> Size	<u>Length</u>	<u>Size</u>	WEIGHT	<u>Grade</u>	Thread	Rating Collapse	<u>Factor</u> <u>Burst</u>	<u>Tensile</u>
Conductor	17 1/2"	0 – 45'	13 %"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 1/4"	0 – 2,300° KB±	9-5/8''	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#_
Production	7-7/8"	Surface - TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	233,000#

Note: 12-1/4" surface hole will be drilled to a total depth of 200' \pm below the base of the Green River lost circulation zone and cased w/9-5%" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

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5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

<u>Production Hole Procedure (2300'± - TD):</u> Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'±-TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1

Onshore Oil and Gas Order No. 2 - Section E: Special Drilling Operations

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- EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

8. EVALUATION PROGRAM:

Logs:

Mud log from base of surface casing to TD.

Cased-hole Logs:

Cased-hole logs will be run in lieu of open-hole logs consisting of the following:

Cement Bond / Casing Collar Locator and Pulsed Neutron

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead:

185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCI₂, 3 lb/sx GR3

¹/₄ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail:

207 sks Class "G" cement with 2% CaCI₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2

gps water.

Top Out: As necessary with Class "G" cement with 2% CaCI2, 1/4#/sk Flocele mixed at 15.6 ppg, 1.18

ft³/sk., 5.2 gps water.

Note:

Cement volumes will be calculated to bring lead cement to surface and tail cement to

500'above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead:

150 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44

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(Salt),0.2% D46 (Antifoam), $\overline{0.25\%}$ D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail:

545 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13

(Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at

14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note:

The above number of sacks is based on gauge-hole calculation.

Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

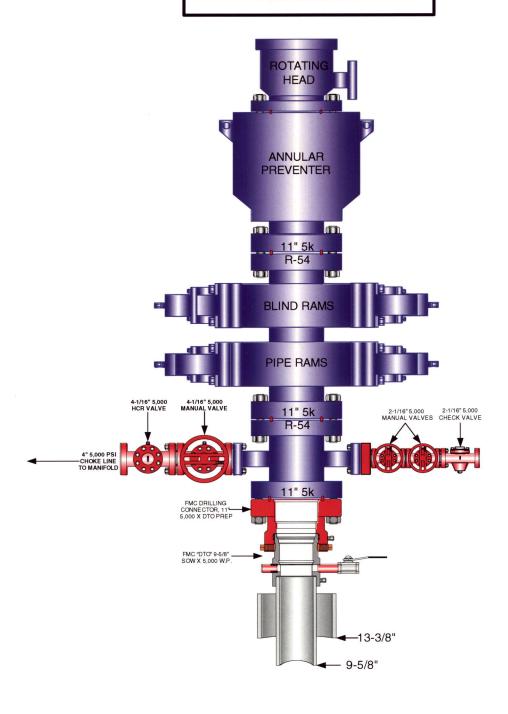
13. AIR DRILLING OPERATIONS:

- Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.

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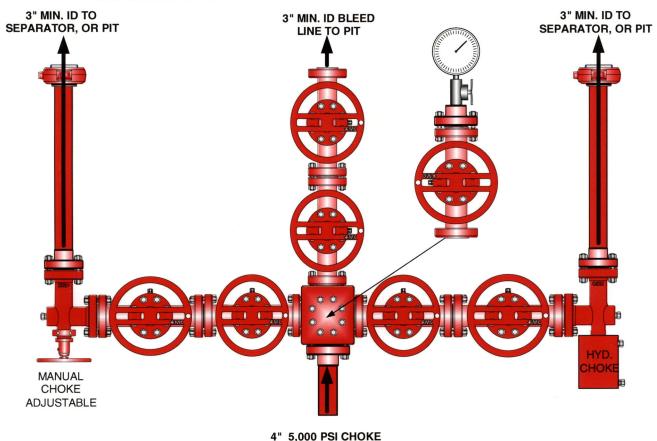
- Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
- The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
- Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
- EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

(Attachment: BOP Schematic Diagram)



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EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES



4" 5,000 PSI CHOKE LINE FROM HCR VALVE

Testing Procedure:

- 1. BOP will be tested with a professional tester to conform to Onshore Order #2.
- 2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
- 3. Annular Preventer will be tested to 50% working pressure, 2,500 psi. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
- 4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
- 5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



Chapita Wells Unit 745-06 SESW, Section 6, T9S, R23E Uintah County, Utah

SURFACE USE PLAN

The well pad is approximately 375 feet long with a 261-foot width, containing 2.25 acres more or less. The well access road is approximately 120 feet long with a 40-foot right-of-way, disturbing approximately .11 acres. New surface disturbance associated with the well pad and access road is estimated to be 2.36 acres.

1. EXISTING ROADS:

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 51.15 miles south of Vernal, Utah See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

- A. The access road will be approximately 120' in length, with culverts installed as construction dictates. See attached Topo B.
- B. The access road has a 40-foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.
- I. A 40-foot permanent right-of-way is requested. No surfacing material will be used.

J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 40-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the roadbed block the drainages. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around then avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 40-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

An off-lease right of way is not required. The entire length of the proposed access road is located within Federal Lease # U-01304. The portion of the existing access road not needed for accessing the location will be reclaimed.

3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:

See attached TOPO map "C" for the location of wells within a one-mile radius.

4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

A. On Well Pad

- 1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and attaching piping.
- 2. Gas gathering lines A 4" gathering line will be buried from dehy to the edge of the location.

B. Off Well Pad

1. No new off-pad pipeline will be required. The existing pipeline for the Chapita Wells Unit 676-06 will be used to transport gas from the proposed location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. All facilities will be painted with Carlsbad Canyon or Covert Green. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water supply will be Bonanza Power Plant water source in Sec 26, T8S, R23E, Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. Source of Construction Materials:

- A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.

- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD, CWU 2-29 SWD, Red Wash Evaporation ponds 1, 2, 3 or 4 or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt, and a 16-millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) will be used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

8. Ancillary Facilities:

None anticipated.

9. WELL SITE LAYOUT:

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the north corner of the location. The flare pit will be located downwind of the prevailing wind direction on the northeast side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protection of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the south.

The corners of the well pad will be rounded off as needed to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Interim Reclamation (Producing Location)

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
HyCrest Wheatgrass	9.0
Prostrate Kochia	3.0

^{*}Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Gardner Saltbush	3.0
Shadscale	3.0
HyCrest Wheatgrass	3.0

^{*}Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

Bureau of Land Management

12. OTHER INFORMATION:

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:
 - Whether the materials appear eligible for the National Register of Historic Places:
 - The mitigation measures the operator will likely have to undertake before the site can be used.
 - A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer

that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application or herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)
- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and will be submitted by Montgomery Archaeological Consultants. A paleontology survey was conducted and will be submitted by Intermountain Paleo.

Additional Surface Stipulations:

None.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

Mary A. Maestas EOG Resources, Inc. 1060 East Highway 40 Vernal, UT 84078 (435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

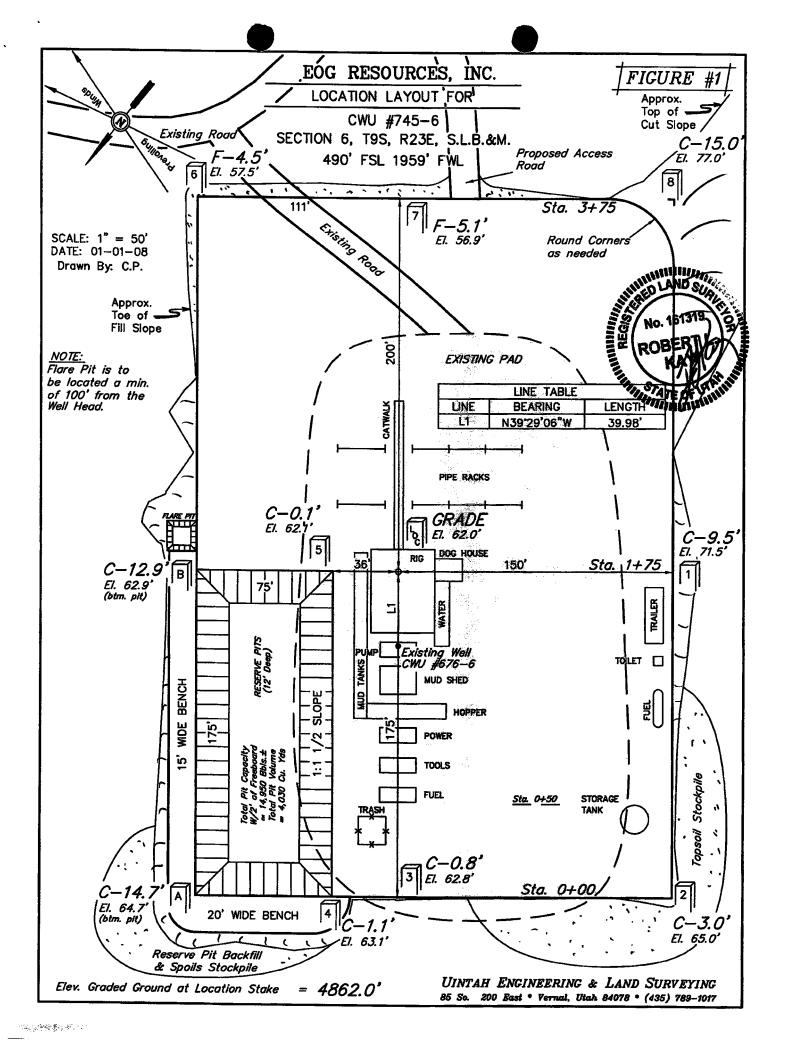
CERTIFICATION:

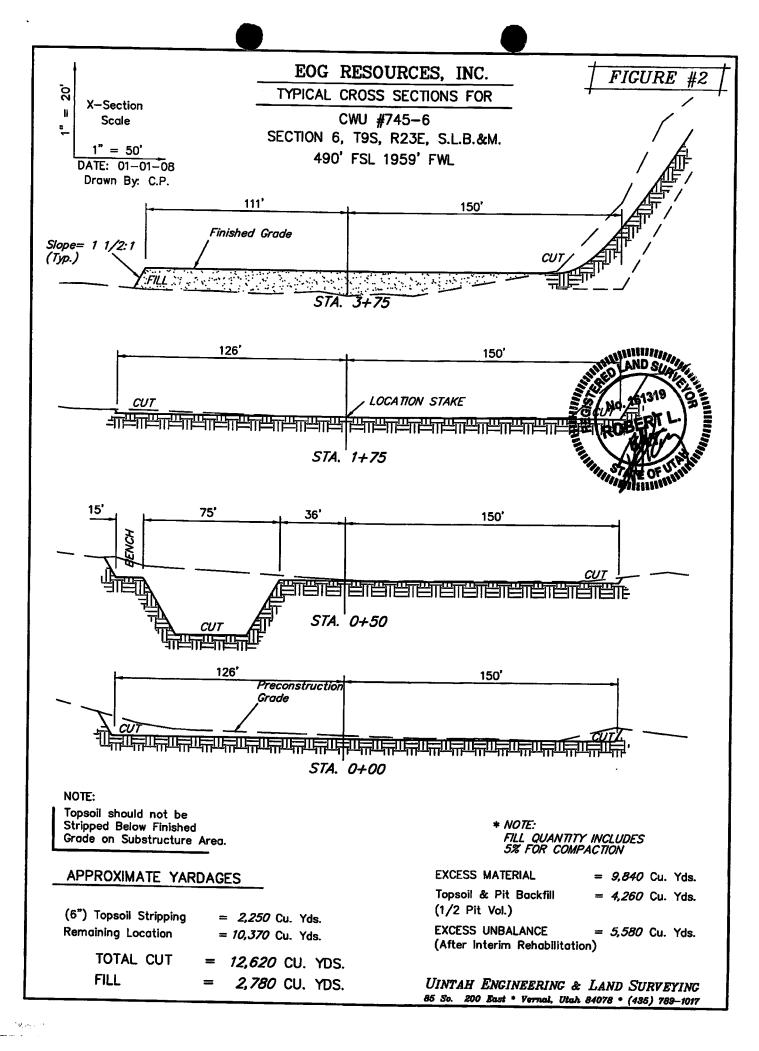
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

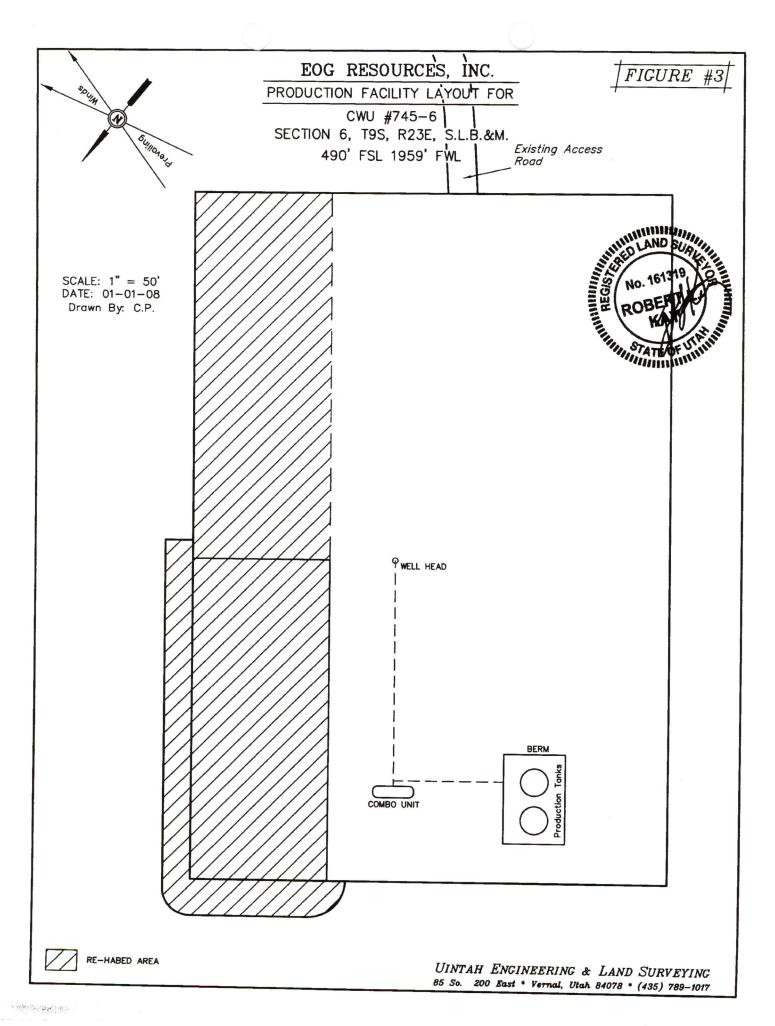
Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 745-06 Well, located in the SESW, of Section 6, T9S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

2000.	
February 1, 2008	Mary a. Mayla
Date	Mary A. Maestas, Regulatory Assistant

Date of onsite: January 24, 2008







EOG RESOURCES, INC.

CWU #745-6

LOCATED IN UINTAH COUNTY, UTAH SECTION 6, T9S, R23E, S.L.B.&M.

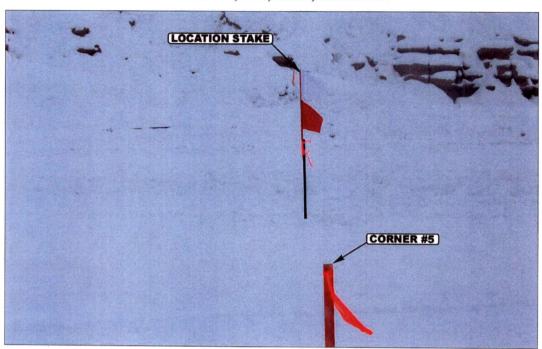


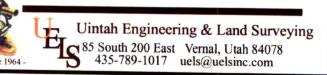
PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY

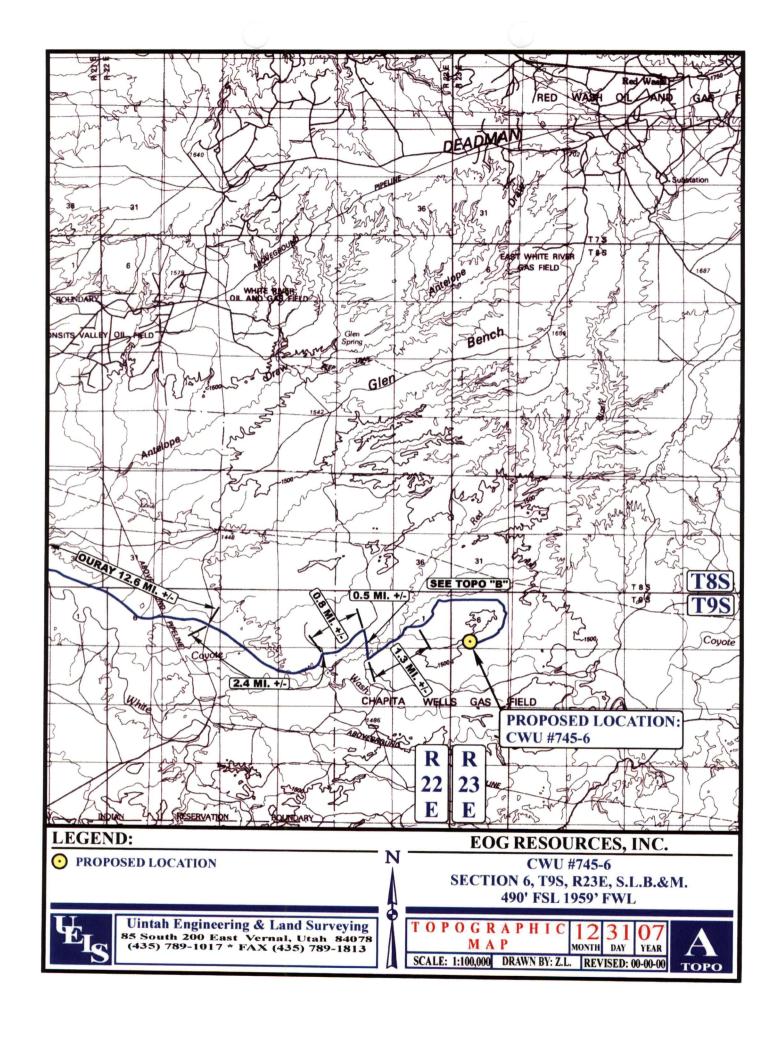


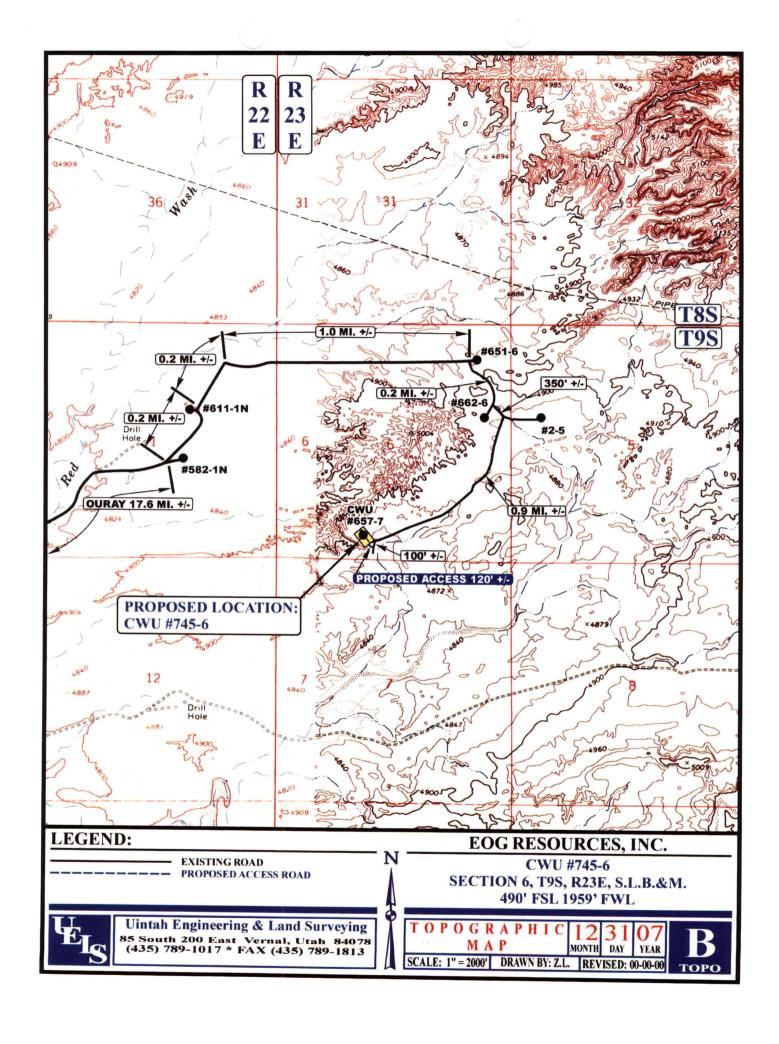
PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

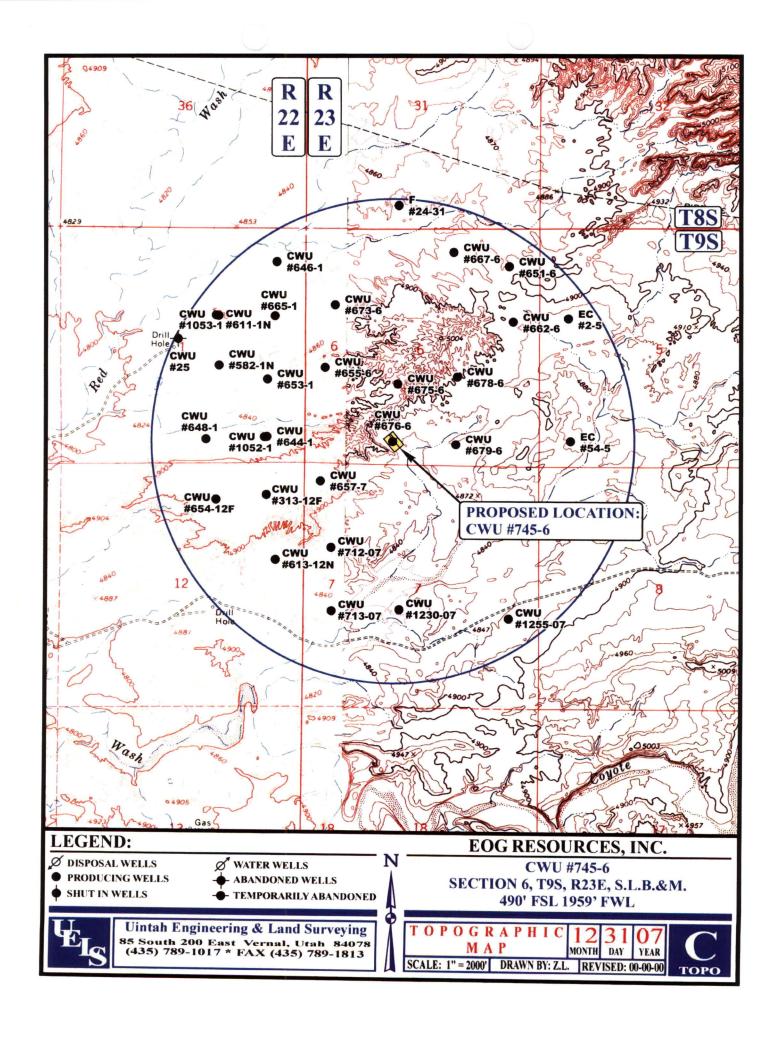
CAMERA ANGLE: NORTHWESTERLY

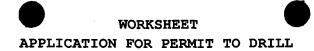


LOCATION	PHOTOS	12 MONTH	31 DAY	07 YEAR	РНОТО
TAKEN BY: D.S.	DRAWN BY: Z.L	. REV	ISED: (00-00-00	

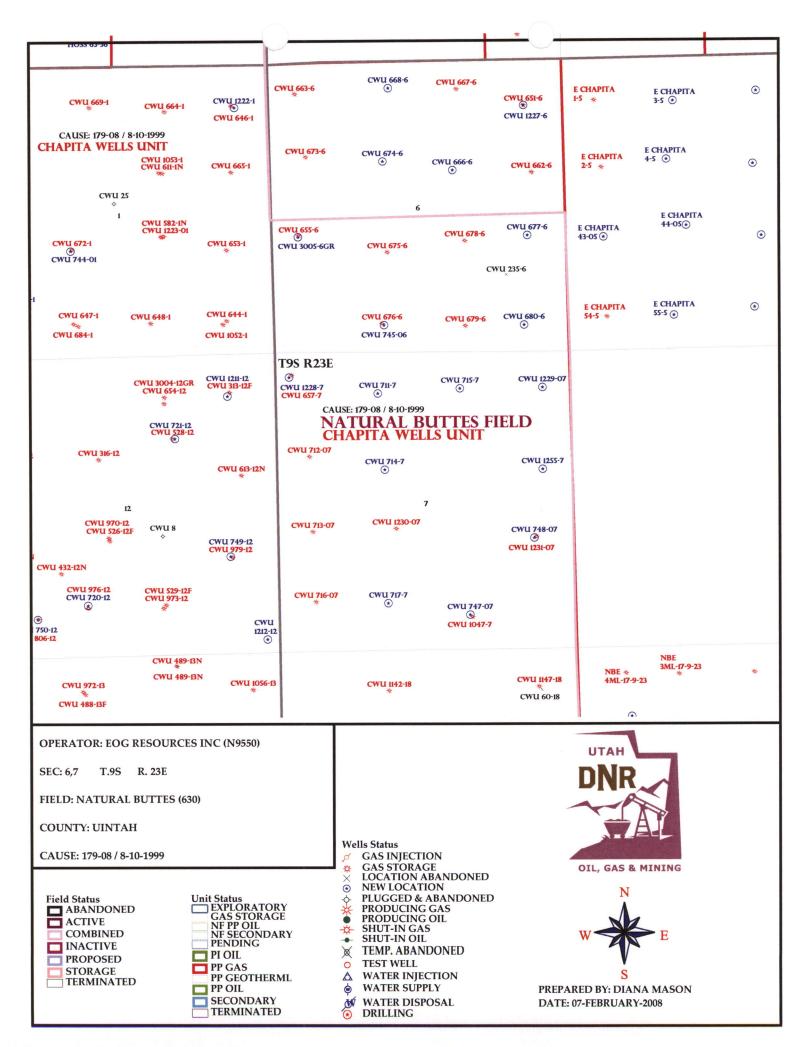








ADD DECETURD. 00/04/0000	ADT NO AGGTONED. 42 047 20022
APD RECEIVED: 02/04/2008	API NO. ASSIGNED: 43-047-39939
WELL NAME: CWU 745-06	
OPERATOR: EOG RESOURCES, INC. (N9550)	PHONE NUMBER: 303-824-5526
CONTACT: MARY MAESTAS	
PROPOSED LOCATION:	INSPECT LOCATN BY: / /
SESW 06 090S 230E SURFACE: 0490 FSL 1959 FWL	Tech Review Initials Date
BOTTOM: 0490 FSL 1959 FWL	Engineering
COUNTY: UINTAH	Geology
LATITUDE: 40.05919 LONGITUDE: -109.3713 UTM SURF EASTINGS: 638916 NORTHINGS: 4435388	Surface
FIELD NAME: NATURAL BUTTES (630)	
LEASE TYPE: 1 - Federal LEASE NUMBER: UTU01304 SURFACE OWNER: 1 - Federal	PROPOSED FORMATION: WSTC COALBED METHANE WELL? NO
RECEIVED AND/OR REVIEWED:	LOCATION AND SITING:
Plat	R649-2-3.
Bond: Fed[1] Ind[] Sta[] Fee[]	Unit: CHAPITA WELLS
(No. NM2308)	
Potash (Y/N)	R649-3-2. General Siting: 460 From Qtr/Qtr & 920' Between Wells
Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit	R649-3-3. Exception
(No. 49-225)	
RDCC Review (Y/N)	Drilling Unit Board Cause No: 1748
(Date:)	Eff Date: 8-10-1944
Fee Surf Agreement (Y/N)	Siting Spends Grena Sting
Intent to Commingle (Y/N)	R649-3-11. Directional Drill
COMMENTS:	
STIPULATIONS: 1- Geden Compro	vc(



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office P.O. Box 45155 Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

February 8, 2008

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2008 Plan of Development Chapita Wells Unit

Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2008 within the Chapita Wells Unit, Uintah County, Utah.

API# WELL NAME LOCATION

(Proposed PZ Wasatch)

43-047-39936 CWU 740-03 Sec 03 T09S R22E 0589 FNL 2072 FWL 43-047-39937 CWU 741-03 Sec 03 T09S R22E 0868 FSL 0503 FWL 43-047-39938 CWU 754-10 Sec 10 T09S R22E 2414 FNL 0308 FWL 43-047-39935 CWU 744-01 Sec 01 T09S R22E 1941 FSL 1776 FWL 43-047-39934 CWU 759-25 Sec 25 T09S R22E 0650 FNL 1834 FEL 43-047-39939 CWU 745-06 Sec 06 T09S R23E 0490 FSL 1959 FWL 43-047-39940 CWU 748-07 Sec 07 T09S R23E 1960 FSL 0702 FEL 43-047-39941 CWU 747-07 Sec 07 T09S R23E 0604 FSL 1866 FEL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit

Division of Oil Gas and Mining

Central Files Agr. Sec. Chron Fluid Chron

MCoulthard:mc:2-8-08



Lieutenant Governor



MICHAEL R. STYLER Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

February 11, 2008

EOG Resources, Inc. 600 17th St., Ste. 1000N Denver, CO 80202

Re:

Chapita Wells Unit 745-06 Well, 490' FSL, 1959' FWL, SE SW, Sec. 6, T. 9 South,

R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39939.

Sincerely,

Gil Hunt

Associate Director

Tip Th

pab Enclosures

cc:

Uintah County Assessor

Bureau of Land Management, Vernal Office



Location: <u>SE SW</u>	Sec. 6	T. 9 South	R. 23 East			
Lease:	UTU01304					
API Number:	43-047-39939					
Well Name & Number	Chapita Wells Unit 745-06					
Operator:	EOG Resources, Inc.					

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division with 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Con	f Company: EOG RESOURCES INC						
Well Name	:	CWI	J 745-06				
Api No:	43-047-399	939		_Lease Type:	FEDERAL		
Section 06	Township_	09S Range_	23E	_County	UINTAH		
Drilling Cor	ntractor <u>RO</u>	CKY MOUNTA	IN DRL	GRIG #	#RATHOLE		
SPUDDE	D:						
	Date	09/10/08					
	Time	2:00 PM					
	How	DRY					
Drilling wi	ill Commen	ce:					
Reported by		JERRY	Y BARNI	ES			
Telephone #		(435) 8	<u>828-1720</u>				
Date	09/10//08	Signed	CHD	1			

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM

Operator:

EOG RESOURCES

Operator Account Number: N 9550

Address:

1060 East Highway 40

city VERNAL

state UT zip 84078 Phone Number: (435) 781-9145

Well 1

API Number	Well	QQ	Sec	Twp	Rng	County		
43-047-39939	CHAPITA WELLS UN	NIT 745-06	SESW 6 9S			23E UINTAI		
Action Code	Current Entity Number	New Entity Number	s	Spud Date		Entity Assignme Effective Date		
Α	99999	17093	9/10/2008		9/25/08			

Well 2

API Number	Well	QQ	Sec	Twp	Rng	County		
43-047-39640	CHAPITA WELLS UI	NIT 1126-29	SENW 29 9S			SENW 29 9S 23E L		
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date			
\$B	99999	13650	9/10/2008		9/25/08			
comments: MES	AVERDE WELL		<u> </u>					

Well 3

Well	Name	QQ	Sec	Twp	Rng	County	
NATURAL BUTTES U	JNIT 617-04E	NWNW	4	108	21E	UINTAH	
Current Entity Number	New Entity Number	Sı	Spud Date		Entity Assignment Effective Date		
99999	2900	9	9/11/2008		9/25/08		
	Current Entity Number	Number Number	NATURAL BUTTES UNIT 617-04E NWNW Current Entity New Entity Number Number	NATURAL BUTTES UNIT 617-04E NWNW 4 Current Entity New Entity Number Spud Date Number Number	NATURAL BUTTES UNIT 617-04E NWNW 4 10S Current Entity Number Number Spud Date Number	NATURAL BUTTES UNIT 617-04E NWNW 4 10S 21E Current Entity New Entity Number Spud Date Ent	

ACTION CODES:

- A Establish new entity for new well (single well only)
- B Add new well to existing entity (group or unit well)
- C Re-assign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a new entity
- Other (Explain in 'comments' section)

RECEIVED

SEP 1 5 2008

Mickenzie Thacker

Title

Name (Please Print)

Operations Clerk 9/12/2008

Date

(5/2000)

Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

SUNDRY	NOTICES AND REPO is form for proposals to	RTS ON WE			5. Lease Serial No. UTU01304	
abandoned we	II. Use form 3160-3 (AP	D) for such p	roposals.		6. If Indian, Allottee o	r Tribe Name
SUBMIT IN TRI	PLICATE - Other instruc	ctions on rev	erse side.		7. If Unit or CA/Agree CHAPITA WELI	ement, Name and/or No. _S
Type of Well Oil Well	ner				8. Well Name and No. CHAPITA WELLS	UNIT 745-06
Name of Operator EOG RESOURCES, INC.	Contact: E-Mail: mary_mae	MARY A. MA estas@eogreso			9. API Well No. 43-047-39939	·
3a. Address 600 17TH STREET SUITE 10 DENVER, CO 80202	00N	3b. Phone No Ph: 303-82	. (include area code 4-5526	e)		
4. Location of Well (Footage, Sec., T	., R., M., or Survey Description	1)			11. County or Parish,	and State
Sec 6 T9S R23E SESW 490F 40.05914 N Lat, 109.37191 W					UINTAH COUN	TY, UT
12. CHECK APPI	ROPRIATE BOX(ES) TO	O INDICATE	NATURE OF	NOTICE, R	EPORT, OR OTHE	R DATA
TYPE OF SUBMISSION			ТҮРЕ С	F ACTION		
☐ Notice of Intent	☐ Acidize	☐ Dee	pen	☐ Product	tion (Start/Resume)	■ Water Shut-Off
_	☐ Alter Casing	☐ Frac	☐ Fracture Treat ☐ Reclam		ation	■ Well Integrity
Subsequent Report	□ Casing Repair	■ New	Construction	Recomp	olete	eement, Name and/or No. LLS S UNIT 745-06 T Exploratory ITES and State NTY, UT Water Shut-Off Well Integrity Other Production Start-up Eximate duration thereof. nent markers and zones. e filed within 30 days 60-4 shall be filed once
☐ Final Abandonment Notice	☐ Change Plans	Plug	and Abandon	□ Tempor	rarily Abandon	TU01304 Tindian, Allottee or Tribe Name Tunit or CA/Agreement, Name and/or No. HAPITA WELLS ell Name and No. HAPITA WELLS UNIT 745-06 PI Well No. 3-047-39939 Field and Pool, or Exploratory ATURAL BUTTES County or Parish, and State INTAH COUNTY, UT TT, OR OTHER DATA tart/Resume)
	☐ Convert to Injection	Plug	ure Treat Reclamation Well Integrity Construction Recomplete Other and Abandon Temporarily Abandon Back Water Disposal Ig estimated starting date of any proposed work and approximate duration thereof. Ocations and measured and true vertical depths of all pertinent markers and zones. file with BLM/BIA. Required subsequent reports shall be filed within 30 days			
If the proposal is to deepen directions Attach the Bond under which the wor	ally or recomplete horizontally, will be performed or provide operations. If the operation repandonment Notices shall be filinal inspection.) and to sales on 12/5/2008.	give subsurface the Bond No. or sults in a multipled only after all	locations and meas a file with BLM/BI e completion or rec requirements, inclu	ured and true vo A. Required su completion in a ding reclamatio	ertical depths of all pertin bsequent reports shall be new interval, a Form 316 n, have been completed,	ent markers and zones. filed within 30 days 0-4 shall be filed once
	,					
14. I hereby certify that the foregoing is	Electronic Submission #	#65366 verified RESOURCES,	by the BLM We	II Information Vernal	System	
Name (Printed/Typed) MARY A.	MAESTAS		Title REGU	LATORY AS	SISTANT	
Signature (Figetgonic)	Submission Market		Date 12/09/2	2008		
Ú	THIS SPACE FO	OR FEDERA	L OR STATE	OFFICE U	SE	
Approved By			Title			Date
Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent would entitle the applicant to conductive the applicant to conduct the applicant the applicant the applicant to conduct the applicant theapplicant the applicant the applicant the applicant the applican	itable title to those rights in the	s not warrant or e subject lease	Office			
Title 18 U.S.C. Section 1001 and Title 43	U.S.C. Section 1212, make it a	crime for any pe	rson knowingly an	d willfully to m	ake to any department or	agency of the United

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

DEC 16 2008

WELL CHRONOLOGY REPORT

Report Generated On: 12-09-2008

Well Name	CWU 745-06	Well Type	DEVG	Division	DENVER
Field	CHAPITA WELLS	API#	43-047-39939	Well Class	1SA
County, State	UINTAH, UT	Spud Date	09-28-2008	Class Date	12-05-2008
Tax Credit	N	TVD / MD	7,550/ 7,550	Property #	062289
Water Depth	0	Last CSG	0.0	Shoe TVD / MD	5,097/ 5,097
KB / GL Elev	4,875/ 4,862				
Location	Section 6, T9S, R23E, SE	SW, 490 FSL & 1959 F	WL		
Event No	1.0	Description	DRILL & COMPLETE		

Z (CHC I (O				Description							
Operator	EO	G RESOURC	ES, INC	WI %	74.2	27983		NRI %		61.79526	5
AFE No		304959		AFE Total		1,306,200		DHC/	CWC	694,7	00/ 611,500
Rig Contr	ELE	NBURG	Rig Nam	e ELEN	BURG #28	Start Date	02-	-28-2008	Release	Date	10-01-2008
02-28-2008	R	eported By	C	INDY VAN RA	NKEN						
DailyCosts: Da	rilling	\$0		Cor	mpletion	\$0		Dail	y Total	\$0	
Cum Costs: D	rilling	\$0		Cor	mpletion	\$0		Wel	l Total	\$0	
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation:			PBTD:	0.0		Perf:			PKR D	epth : 0.0)

Activity at Report Time: LOCATION DATA

Start End Hrs Activity Description
06:00 06:00 24.0 LOCATION DATA

490' FSL & 1959' FWL (SE/SW)

SECTION 6, T9S, R23E UINTAH COUNTY, UTAH

LAT 40.059139, LONG 109.371908 (NAD 83) LAT 40.059175, LONG 109.371228 (NAD 27)

ELENBURG #28

OBJECTIVE: 7550' MD/TVD, WASATCH

DW/GAS

OBJECTIVE: CHAPITA WELLS PROSPECT

DD&A: NATURAL BUTTES NATURAL BUTTES FIELD

LEASE: UTU-01304

ELEVATION: 4862.0' NAT GL, 4862.0' PREP GL, 4875' KB (13')

EOG WI 74.27983%, 61.79526 NRI %

08-28-2008

Reported By

TERRY CSERE

DailyCosts: Drilling	\$38,000	-	pletion	\$0		Daily		\$38,000	
Cum Costs: Drilling	\$38,000	Comp	pletion	\$0		Well	Fotal	\$38,000	
MD 0	TVD 0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTE) : 0.0		Perf:			PKR De	pth: 0.0	
Activity at Report Tir	me: BUILD LOCATI	ION							
Start End	Hrs Activity I	Description							
06:00 06:00	24.0 LOCATION	N STARTED .							
08-29-2008 Re	eported By	TERRY CSERE							
DailyCosts: Drilling	\$0	Comp	pletion	\$0		Daily	Total	\$0	
Cum Costs: Drilling	\$38,000	Comp	pletion	\$0		Well	Total	\$38,000	
MD 0	TVD 0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD	0.0		Perf:			PKR De	pth: 0.0	
Activity at Report Ti	me: BUILD LOCATI	ON							
Start End	Hrs Activity I	Description							
06:00 06:00	24.0 LOCATION	N 10% COMPLETE.							
09-02-2008 Re	eported By	TERRY CSERE							
DailyCosts: Drilling	\$0	Comp	pletion	\$0		Daily	Total	\$0	
Cum Costs: Drilling	\$38,000	Comp	pletion	\$0		Well 7	Total	\$38,000	
MD 0	TVD 0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD) : 0.0		Perf:			PKR De	pth: 0.0	
Activity at Report Tir	me: BUILD LOCATI	ON							
Start End	Hrs Activity I	Description							
06:00 06:00	24.0 LOCATIO	N 25% COMPLETE.							
	24.0 LOCATION	N 25% COMPLETE. TERRY CSERE							
09-03-2008 Re		TERRY CSERE	pletion	\$0		Daily	Total	\$0	
09-03-2008 Re	eported By	TERRY CSERE Comp	pletion pletion	\$0 \$0		Daily Well T		\$0 \$38,000	
	eported By	TERRY CSERE Comp			0	-			0.0
09-03-2008 Re DailyCosts: Drilling Cum Costs: Drilling MD 0	\$0 \$38,000	TERRY CSERE Comp Comp	pletion	\$0	0	Well	Fotal	\$38,000 Visc	0.0
09-03-2008 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation:	\$0 \$38,000 TVD 0 PBTD	TERRY CSERE Comp Comp Progress D: 0.0	pletion	\$0 Days	0	Well	Fotal 0.0	\$38,000 Visc	0.0
09-03-2008 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tin	\$0 \$38,000 TVD 0 PBTE me: BUILD LOCATI	TERRY CSERE Comp Comp Progress D: 0.0	pletion	\$0 Days	0	Well	Fotal 0.0	\$38,000 Visc	0.0
09-03-2008 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tin	\$0 \$38,000 TVD 0 PBTE me: BUILD LOCATI	TERRY CSERE Comp Comp Progress D: 0.0 CON Description	pletion	\$0 Days	0	Well	Fotal 0.0	\$38,000 Visc	0.0
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D9-03-2008 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tin Start End 06:00 06:00 D9-04-2008 Re DailyCosts: Drilling	\$0 \$38,000 TVD 0 PBTE me: BUILD LOCATI Hrs Activity I 24.0 PUSHING	TERRY CSERE Comp Comp Progress Con Con Con Con Con Con Con Con Con Co	0	\$0 Days Perf:	0	Well	0.0 PKR De	\$38,000 Visc pth: 0.0	0.0
DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tin Start End 06:00 06:00 D9-04-2008 Re DailyCosts: Drilling Cum Costs: Drilling	\$0 \$38,000 TVD 0 PBTE me: BUILD LOCATI Hrs Activity I 24.0 PUSHING eported By \$0 \$38,000	TERRY CSERE Comp Comp Progress CON CON CON CON CON CON CON CON CON CO	0 pletion pletion	\$0 Days Perf: \$0 \$0 \$0		Well 7 MW Daily Well 7	O.O PKR Dep	\$38,000 Visc pth: 0.0 \$0 \$38,000	0.0
D9-03-2008 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tin Start End 06:00 06:00 D9-04-2008 Re DailyCosts: Drilling Cum Costs: Drilling	\$0 \$38,000 TVD 0 PBTE me: BUILD LOCATI Hrs Activity I 24.0 PUSHING eported By \$0 \$38,000 TVD 0	TERRY CSERE Comp Comp Progress Con Con Con Con Con Con Con Con Con Co	0 opletion	\$0 Days Perf: \$0 \$0 \$0 Days	0	Well 7 MW Daily	O.0 PKR Dep	\$38,000 Visc pth: 0.0 \$0 \$38,000 Visc	
D9-03-2008 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tin Start End 06:00 06:00 D9-04-2008 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation:	sported By \$0 \$38,000 TVD 0 PBTE me: BUILD LOCATI Hrs Activity I 24.0 PUSHING sported By \$0 \$38,000 TVD 0 PBTD	TERRY CSERE Comp Comp Progress CON CON CON CON CON CON CON CON CON CO	0 pletion pletion	\$0 Days Perf: \$0 \$0 \$0		Well 7 MW Daily Well 7	O.O PKR Dep	\$38,000 Visc pth: 0.0 \$0 \$38,000 Visc	
DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tin Start End 06:00 06:00 D9-04-2008 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tin	sported By \$0 \$38,000 TVD 0 PBTE me: BUILD LOCATI Hrs Activity I 24.0 PUSHING sported By \$0 \$38,000 TVD 0 PBTE me: BUILD LOCATI	TERRY CSERE Comp Comp Progress CON CON CON PIT. TERRY CSERE Comp Comp Progress CON CON CON CON CON CON CON CON CON CO	0 pletion pletion	\$0 Days Perf: \$0 \$0 \$0 Days		Well 7 MW Daily Well 7	O.0 PKR Dep	\$38,000 Visc pth: 0.0 \$0 \$38,000 Visc	
DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tin Start End 06:00 06:00 D9-04-2008 Re DailyCosts: Drilling Cum Costs: Drilling	sported By \$0 \$38,000 TVD 0 PBTE me: BUILD LOCATI Hrs Activity I 24.0 PUSHING sported By \$0 \$38,000 TVD 0 PBTE me: BUILD LOCATI	TERRY CSERE Comp Progress CON CON CON CON CON TERRY CSERE Comp Comp Progress CON CON CON CON CON CON CON CON CON CO	0 pletion pletion	\$0 Days Perf: \$0 \$0 \$0 Days		Well 7 MW Daily Well 7	O.0 PKR Dep	\$38,000 Visc pth: 0.0 \$0 \$38,000 Visc	

DailyCosts: Di	rilling	\$0		Completion	\$0		Daily Total	\$0	
Cum Costs: D	_	\$38,000		Completion	\$0		Well Total	\$38,000	
MD	0	TVD	0 Prog	gress 0	Days	0	MW 0.	0 Visc	0.0
Formation:		P	BTD: 0.0		Perf:		PKR	Depth : 0.0	
Activity at Rep	ort Tin	ne: BUILD LO	CATION						
Start En	d	Hrs Activ	ity Description	1					
06:00	06:00	24.0 LINE	MONDAY.	····		·			
09-08-2008	Rej	ported By	TERRY C	CSERE					
DailyCosts: Di	rilling	\$0		Completion	\$0		Daily Total	\$0	
Cum Costs: D	rilling	\$38,000		Completion	\$0		Well Total	\$38,000	
MD	0	TVD	0 Prog	gress 0	Days	0	MW 0.	0. Visc	0.0
Formation:		P	BTD: 0.0		Perf:		PKR	Depth: 0.0	
Activity at Rep	ort Tin	ne: BUILD LO	CATION						
Start En	d	Hrs Activ	ity Descriptior	1					
06:00	06:00	24.0 LINE	TUESDAY.						
09-09-2008	Rej	ported By	TERRY C	SERE					
DailyCosts: Di	illing	\$0		Completion	\$0		Daily Total	\$0	
Cum Costs: Di	rilling	\$38,000		Completion	\$0		Well Total	\$38,000	
MD	0	TVD	0 Prog	gress 0	Days	0	MW 0.	O Visc	0.0
Formation:		P	BTD: 0.0		Perf:		PKR	Depth: 0.0	
Activity at Rep	ort Tin	ne: BUILD LO	CATION						
Start En	d	Hrs Activ	ity Description	1					
06:00	06:00	24.0 LINE	TODAY.		-2				
09-10-2008	Rej	ported By	TERRY C	CSERE					
DailyCosts: Dr	illing	\$0		Completion	\$0		Daily Total	\$0	
Cum Costs: Di	rilling	\$38,000		Completion	\$0		Well Total	\$38,000	
MD	0	TVD	0 Prog	gress 0	Days	0	MW 0.0	Visc	0.0
Formation:		P	BTD: 0.0		Perf:		PKR	Depth: 0.0	
Activity at Rep	ort Tin	ne: LOCATION	COMPLETE -	WO AIR RIG					
Start End	d	Hrs Activ	ity Description	1					
06:00	06:00	24.0 LOCA	TION COMPLE	TE.					
09-11-2008	Rep	ported By	JERRY B.	ARNES					
DailyCosts: Dr	illing	\$0		Completion	\$0		Daily Total	\$0	
Cum Costs: Di	rilling	\$38,000		Completion	\$0		Well Total	\$38,000	
MD	60	TVD	60 Prog	ress 0	Days	1	MW 0.0) Visc	0.0
Formation:		· P	BTD: 0.0		Perf:		PKR :	Depth : 0.0	
Activity at Rep	ort Tin	e: SPUD NOT	IFICATION						
Start End	i	Hrs Activ	ity Description	ì					
06:00	6:00	CEME	ENT TO SURFAC		MIX. JERRY	BARNES NO	@ 2:00 PM, SET 60' (OTIFIED CAROL DAI		

09-22-20	08 Re	eported By	JE	RRY JENKINS							
DailyCost	s: Drilling	\$30	5,087	Con	npletion	\$0		Daily	Total	\$305,087	
Cum Cost	ts: Drilling	\$34	3,087	Con	npletion	\$0		Well 7	Total .	\$343,087	
MD	2,576	TVD	2,576	Progress	0	Days	2	MW	0.0	Visc	0.0
Formation	n:		PBTD : 0	.0		Perf:			PKR Dej	oth: 0.0	

Activity at Report Time: WORT

Start	End	Hrs	Activity Description

06:00 06:00

24.0 MIRU CRAIGS DRILLING RIG # 4 ON 9/15/2008. DRILLED 12–1/4" HOLE TO 2563' GL (2576' KB). FLUID DRILLED HOLE FROM 1032'. LOST CIRCULATION AT 2310'. RAN 58 JTS (2553.25') OF 9–5/8", 36.0#, K–55, BTC CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2566' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO CRAIGS RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 2200 PSIG. PUMPED 197 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (146 BBLS) OF PREMIUM LEAD CEMENT W/ 0.2% VARASET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/YIELD OF 4.10 CF/SX.

TAILED IN W/ 300 SX (63 BBLS) OF PREMIUM CEMENT W/2 % CACL2. MIXED TAIL CEMENT TO 15.6 W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/194 BBLS FRESH WATER. BUMPED PLUG W/ 397# @ 4:31 AM, 9/20/2008. CHECKED FLOAT, FLOAT HELD. SHUT—IN CASING VALVE. BROKE CIRCULATION 24 BBLS INTO LEAD CEMENT. LOST CIRCULATION 117 BBLS INTO DISPLACEMENT.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (21 BBLS) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS WOC 2 HRS 30 MINUTES.

TOP JOB # 2; MIXED & PUMPED 200 SX (42 BBLS) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HRS 30 MINUTES.

TOP JOB # 3: MIXED & PUMPED 175 SX (36 BBLS) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. CEMENT TO SURFACE BUT FELL BACK WHEN PUMPING STOPPED. WOC 2 HRS 30 MINUTES.

TOP JOB #4: MIXED & PUMPED 39 SX (8 BBLS) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL .RDMO HALLIBURTON CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

NO SURVEY AT THIS TIME.

CONDUCTOR LEVEL RECORD: PS= 90.0 OPS= 89.9 VDS= 89.9 MS= 89.8 9 5/8 CASING LEVEL RECORD: PS= 89.9 OPS= 89.9 VDS= 89.8 MS= 89.9

LES FARNSWORTH NOTIFIED JAMIE SPARGER W/ BLM OF THE SURFACE CASING & CEMENT JOB ON 9/16/2008 @ 6:45 PM.

09-28-2008	R	eported By]	MATT WILLIAM	S						
DailyCosts:	Drilling	\$73,768	3	Com	pletion	\$0		Daily	Total	\$73,768	
Cum Costs: Drilling \$416,855		55	Com	pletion	\$0		Well 7	Fotal	\$416,855		
MD	2,766	TVD	2,766	Progress	190	Days	1	MW	0.0	Visc	0.0

Formation:

PBTD: 0.0

Perf:

PKR Depth: 0.0

Activity at Report Time: DRILLING @ 2766'.

Start	End	Hrs	Activity Description
06:00	07:30		RIG DOWN. HOLD PJSM WITH HOWCROFT AND RIG CREW.
07:30	11:00	3.5	RIG DOWN & MOVE TO CWU 745-06 CLEAR LOCATION @ 1000. RIG MOVE 3 MILES.
11:00	13:00	2.0	SET BOP TEST DTO HEAD TO 5000 PSI. W/ FMC, RAISE DERRICK @ 09:30 SPOT TANKS, PUMPS, GROUND SUPPORT, CONT TO RIG UP TRUCKS OFF LOCATION @ 12:00.
13:00	16:00	3.0	NIPPLE UP BOP, ROT. HEAD, CHOKE LINE, KILL LINE VALVES, HYD. HOSES, FUNCTION TEST BOP.
			RIG ON DAY WORK @ 13:00 HRS, 9/27/08.
16:00	23:00	7.0	TEST BOPE AS PER PROGRAM. NOTIFIED BLM REP, JAIME SPARGER VERNAL OFFICE ON 9/26/08 @ 15:00 HRS FOR BOP TEST.
			INSIDE BOP, SAFETY VALVE, UPPER KELLY COCK 250/5000 PSI 5/10 MIN.
			HCR, CHOKE LINE, KILL LINE, 250/5000 PSI 5/10 MIN.
			CHOKE MANIFOLD, 250/5000 PSI 5/10 MIN.
			PIPE RAMS, BLIND RAMS, 250/5000 PSI 5/10 MIN.
			ANNULAR, 250/2500 PSI 5/10 MIN.
			TEST 9 5/8" CASING TO1500 PSI 30 MIN.
			WITNESS: TOM MCLENA.
23:00	00:30	1.5	P/U BHA, TRIP IN HOLE W/ BHA.
00:30	01:30	1.0	SLIP AND CUT 70' OF DRILL LINE.
01:30	02:30	1.0	TRIP IN HOLE, TAG CEMENT @ 2520'.
02:30	03:30	1.0	DRILL CEMENT, FLOAT EQUIPMENT + 10' OF NEW HOLE TO 2586'.
03:30	04:30	1.0	PERFORM FIT TEST. MWT 8.9, 300 PSI @ 2586' = 11.1 EMW. TAKE WIRELINE SURVEY 1 DEGREE.
04:30	06:00	1.5	DRLG F/ 2586' TO 2766', ROP 127, WOB 15/17, RPM 40/50, TQ 1500/2500, MWT 8.9, VIS 28.
			MUD LOSS LAST 24 HRS. 0 BBLS.
			MUD WT: 8.9, VIS 28.
			ACCIDENTS NONE REPORTED.
			FUNCTION TEST CROWN-O-MATIC.
			SAFETY MEETING: MOVING RIG, TESTING BOPE .
			CREWS FULL.
			BOP DRILL, 1.
			FUEL ON HAND: 5748 GALS. USED 252 GALS, 5000 GAL RECIEVED .
			GAS BG.20 U, CONN. 40 U.
			LITHOLOGY, SAND/SHALE.
			MUD LOGGER UNMANED ON LOCATION F/ 9/27/08 = 1 DAY.

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SPUD 7 7/8" HOLE AT 04:30 HRS, 9/28/08.

09-29-2008	Re	eported By		MATT WILLIAN	AS						
DailyCosts:	Drilling	\$31,	173	Con	mpletion	\$0		Daily	Total	\$31,173	
Cum Costs: Drilling \$448,028		3,028	Completion \$0				Well 7	Total	\$448,028		
MD	5,167	TVD	5,167	Progress	2,401	Days	2	MW	8.8	Visc	28.0
Formation: PBTE			PBTD :	: 0.0		Perf:			PKR De _l	pth: 0.0	

Activity at Report Time: DRILLING @ 5167'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	SERVICE RIG. ADJUST BRAKES.
07:00	14:00	7.0	DRLG F/ 2766' TO 4035', ROP 181, WOB 15/18, RPM 45/50, TQ 1500/2200.
14:00	16:30	2.5	CHANGE OUT SWIVEL PUMP.
16:30	23:30	7.0	DRLG F/ 4035' TO 4714, ROP 97, WOB 15/20, RPM 40/55, TQ 1500/2200
23:30	00:30	1.0	TAKE WIRELINE SURVEY @ 4669' = 2 DEGREES.
00:30	06:00	5.5	DRLG F/ 4714' TO 5167', ROP 82, WOB 15/20, RPM 40/55, TQ 1500/2300, MWT 9.5, VIS 33.
			MUD LOSS LAST 24 HRS. 0 BBLS.
			MUD WT: 9.5, VIS 33.
			ACCIDENTS NONE REPORTED.
			FUNCTION TEST CROWN-O-MATIC.
		-	SAFETY MEETING: WORK ON SWIVEL, INSPECTING DRAWWORKS .
			CREWS FULL.
			BOP DRILL, 1.
			FUEL ON HAND: 4672 GALS. USED 1067 GALS, 0 GAL RECIEVED .
			GAS BG.95 U, CONN. 400 U.
			LITHOLOGY, SAND/ SHALE.
			MUD LOGGER UNMANED ON LOCATION F/ 9/27/08 = 2 DAYS.

09-30-2008	Re	ported By	M	ATT WILLIAM	S		,				
DailyCosts:	Drilling	\$28,	700	Con	apletion	\$0		Daily	Total	\$28,700	
Cum Costs: Drilling \$476,729		5,729	Completion \$0				Well	Fotal	\$476,729		
MD	6,979	TVD	6,979	Progress	1,812	Days	3	MW	9.5	Visc	39.0
Formation: PBTD: 0.0			0.0		Perf:			PKR De	oth: 0.0		

Activity at Report Time: DRILLING @ 6979'

Start	End	Hrs	Activity Description
06:00	14:30	8.5	DRLG F/5167' TO 6119', ROP 112, WOB 15/20, RPM 40/55, TQ 1500/2350.
14:30	15:00	0.5	SERVICE RIG
15:00	06:00	15.0	DRLG F/ 6119' TO 6979', ROP 57, WOB 15/22, RPM 40/50, TQ 1500/2400, MWT 9.9, VIS 34.

MUD LOSS LAST 24 HRS. 0 BBLS.

MUD WT: 9.9, VIS 34.

ACCIDENTS NONE REPORTED.

FUNCTION TEST CROWN-O-MATIC.

SAFETY MEETING: BUILDING STEAM LINES, WORKING ON WATER PUMP.

CREWS FULL. BOP DRILL, 1.

FUEL ON HAND: 3218 GALS. USED 1454 GALS, 0 GAL RECIEVED .

GAS BG.40 U, CONN. 240 U. LITHOLOGY, SAND/SHALE.

MUD LOGGER UNMANED ON LOCATION F/ 9/27/08 = 3 DAYS.

10-01-2008	Report	ed By	MATT WILLIAMS			
DailyCosts: Drill	ling	\$46,349	Completion	\$0	Daily Total	\$46,349
Cum Costs: Dril	ling	\$523,079	Completion	\$0	Well Total	\$523,079

MD	7,550	TVD	7,550	Progress	571	Days	4	MW	10.0	Visc	36.0
Formation	n:		PBTD : 0.	0		Perf:			PKR De _l	pth: 0.0	
Activity a	t Report Ti	me: 7550)'/LDDP								
Start	End	Hrs	Activity Descr	ription							
06:00	09:30	3.5	DRLG F/ 6979'	TO 7150' ROP	49, WOB 1	15/22, RPM 50, T	ΓQ 1700/2	2400.			
09:30	10:00	0.5	SERVICE RIG.								
10:00	19:00	9.0	DRLG F/ 7150' HRS, 9/30/08.	TO 7550', ROF	45, WOB	15/22, RPM 50,	TQ 1700.	/2500, MWT	`9.9, VIS 37. R	EACHED TD	@ 19:00
19:00	20:00	1.0	PUMP SWEEP,	CIRC CLEAN	FOR SHO	RT TRIP.					
20:00	21:30	1.5	MAKE 700' SH	ORT TRIP.							
21:30	23:00	1.5	DROP SURVEY	, PUMP SWEE	P, CIRC C	LEAN, SPOT 20	00 BBL, 1	1.4 PPG PIL	L = 10.2 EMV	V.	
23:00	06:00	7.0	TRIP OUT OF I	HOLE LAYING	DOWN D	RILL PIPE ANI	BHA. S	URVEY 3 I	DEGREES.		
10-02-20		marted l	MUD LOSS LA MUD WT: 9.9, V ACCIDENTS N FUNCTION TE SAFETY MEET CREWS FULL. BOP DRILL, 1. FUEL ON HAN GAS BG.40 U, G LITHOLOGY, S MUD LOGGER RV MACCIDENTS N MUD LOGGER	VIS 34. ONE REPORT ST CROWN-C TING: OPERAT D: 2102 GALS CONN. 240 U. SAND/ SHALE	ED. -MATIC. -MODEL BOOK - USED 11 - USED 11	16 GALS, 0 GA ION F/ 9/27/08	L RECIE				
10-02-20		ported 1	J					ъ.		0107 550	
DailyCost			46,719		pletion	\$150,839			y Total	\$197,558	
	s: Drilling		569,798		pletion	\$150,839 _	_		l Total	\$720,637	
MD	7,550	TVD	7,550	Progress	0	Days	5	MW	0.0	Visc	0.0
Formation			PBTD : 0.			Perf:			PKR De _l	oth: 0.0	
Activity at	t Report Tu	me: RDR	T/WO COMPLE								
Start	End	Hrs	Activity Descr	•							
06:00	07:00	1.0	PULL WEAR B	USHING, HOL	D PJSM W	// CSG CREW A	ND RIG	HANDS, R/	U TO RUN CS	G.	
07:00	14:30	7.5	RUN 7550' 4.5 I CSG, FLOAT C ASSEMBLY. FL	OLLAR, 67 J OAT SHOE @	TS. CSG, 1 7550', FLO	MARJER JT, 1	03 JTS.C ② 7502',	SG, 1–20' P	UP JT, 1~ 10'	PUPJT & HA	NGER
			ABOVE SHOE.	JT, TOP OF JT	2 & EVER	Y 3 RD JT. TOT	AL 12.				
14:30	15:00	0.5	TAG @ 7550° L CALIBER LAN	AY DOWN TAG	G JT. SPAC	Y 3 RD JT. TOT CE OUT PICK U		ER FILL CS	G W/ RIG PUI	MP CIRC. RIC	G DOWN

16:00	17:30	1.5 TEST 1	LINES 4000 PSI.	DROP BOTTOM	PLUG PUMP 2	0 BBLS C	HEM WASH &	20 BBLS	WATER SPACE	R AHEAD
		OF LE D167 . CIRC. D046 . FT3/SI FLOAT JOB. D	AD.& CEMENT 2 % FLUID LOS: YIELD 2.98 FT3/ 1% ANTIFOAM K H20 5.96 GAL C COLLER W/ FF DROP PLUG @ 1	7550' 4 1/2 N-80 S D046.2%,ANTH /SK H20 18.2 GAI D167 .2% FLUID /SK @ 14.1 PPG. RESH WATER. 12 7:06 BUMPED PS FLOAT HELD.@	11.6# LTC CSG FOAM D013 .5% L/SK@ 11.5 PPG LOSS DO65 .2' SHUTDOWN V 16 BBLS. AVG. LUG @ 17:26 T	G. LEAD 2 6 RETAR G. TAIL 9 % DISPER VASH OU' DISP. RA' O 2700 PS	280 SKS. G + 2 DER DO65 .5 0 10 SKS 50/50 I RSANT SOO1 T PUMPS & L TE 5.8 BPM F SI. 700 PSI. OV	ADDS MIX % D130 .12. POZ G + AL 1.% ACCEL INES DROI ULL RETU 'ER LIFT P	D020 10.%EXT 5LB/SK BLENI DDS D020 2% E LERATOR YIEI P TOP PLUG & RNS THROUG SI. HOLD PRES	TENDER D LOST EXTENDER LD 1.29 DISP. TO H OUT SS.F/1
15.00	10.20	1.0. 111.1 170								
17:30 18:30	18:30 20:00	1.5 REMO	ON CEMENT OVE CEMENT HE S W/ FMC.	EAD & LANDING	G JT.M/U & LAI	ND PACK	OFF TEST 500	0 PSI. LOO	SEN DTO LOC	CK DOWN
20:00	00:00			LEAN MUD TAN	IKS.					
				OVE 8.6 MILES TO IAL BY E-MAIL					ON LOCATION	N @ 07:00.(
			DENTS NONE RE					•		
		FUNC	TION TEST CRO	WN-O-MATIC.						
		SAFET	TY MEETING:TE	RIPPING PIPE & I	RUN CASING.					
			'S FULL.							
				GALS, USED 34		TO 10/1	00 (DAVO			
00:00	06:00	6.0 RDRT.		NED ON LOCAT	ION F/ 9/2//08	10 10/1/0	08 = 6 DAIS.			
00.00	00.00	0.0 KDK1.								
06:00		RELEA	ASE RIG @ 00:00	HRS, 10/02/08.						
00.00		CASIN	G POINT COST	\$516,693						
10-07-2008	B Re	CASIN	NG POINT COST SEARLE	\$516,693						
10-07-2008					\$41,083		Daily '	Fotal	\$41,083	
	Drilling	eported By	SEARLE	\$516,693 Completion Completion	\$41,083 \$191,922		Daily '		\$41,083 \$761,720	
10-07-2008 DailyCosts:	Drilling	eported By	SEARLE	Completion Completion		6	•			0.0
10-07-2008 DailyCosts: Cum Costs:	Drilling Drilling 7,550	\$0 \$569,798	SEARLE	Completion Completion	\$191,922	6	Well T	otal	\$761,720 Visc	0.0
10-07-2008 DailyCosts: Cum Costs: MD Formation:	Drilling Drilling 7,550	\$0 \$569,798	SEARLE 7,550 Progr BTD : 7502.0	Completion Completion	\$191,922 Days	6	Well T	otal 0.0	\$761,720 Visc	0.0
10-07-2008 DailyCosts: Cum Costs: MD Formation: Activity at 1	Drilling Drilling 7,550	\$0 \$569,798 TVD PI me: PREP FOR I	SEARLE 7,550 Progr BTD : 7502.0	Completion Completion	\$191,922 Days	6	Well T	otal 0.0	\$761,720 Visc	0.0
10-07-2008 DailyCosts: Cum Costs: MD Formation: Activity at 1	Drilling Drilling 7,550 Report Ti	\$0 \$569,798 TVD PI me: PREP FOR I Hrs Activi	SEARLE 7,550 Progr BTD: 7502.0 FRACS ity Description	Completion Completion ress 0	\$191,922 Days Perf:		Well T	otal 0.0 PKR Dep	\$761,720 Visc pth: 0.0	
10-07-2008 DailyCosts: Cum Costs: MD Formation: Activity at 1	Drilling 7,550 Report Tir End 06:00	\$0 \$569,798 TVD PI me: PREP FOR I Hrs Activi	SEARLE 7,550 Progr BTD: 7502.0 FRACS ity Description SCHLUMBERGI	Completion Completion ress 0 ER. LOG WITH R	\$191,922 Days Perf:		Well T	otal 0.0 PKR Dep	\$761,720 Visc pth: 0.0	
10-07-2008 DailyCosts: Cum Costs: MD Formation: Activity at I Start 06:00	Drilling 7,550 Report Til 06:00 Re	\$0 \$569,798 TVD PI me: PREP FOR I Hrs Activi 24.0 MIRU RD SC	SEARLE 7,550 Progr BTD: 7502.0 FRACS ity Description SCHLUMBERGICHLUMBERGER.	Completion Completion ress 0 ER. LOG WITH R	\$191,922 Days Perf:		Well T	0.0 PKR Dep	\$761,720 Visc pth: 0.0	
10-07-2008 DailyCosts: Cum Costs: MD Formation: Activity at 1 Start 06:00	Drilling 7,550 Report Tit End 06:00 Ret Drilling	sported By \$0 \$569,798 TVD PI me: PREP FOR I Hrs Activi 24.0 MIRU RD SC eported By	SEARLE 7,550 Progr BTD: 7502.0 FRACS ity Description SCHLUMBERGE CHLUMBERGER.	Completion Completion ress 0 ER. LOG WITH R	\$191,922 Days Perf: ST/CBL/CCL/V		Well T MW ROM PBTD T	Otal 0.0 PKR Dep	\$761,720 Visc pth: 0.0	
10-07-2008 DailyCosts: Cum Costs: MD Formation: Activity at 1 Start 06:00 10-19-2008 DailyCosts:	Drilling 7,550 Report Tit End 06:00 Ret Drilling	sported By \$0 \$569,798 TVD PI me: PREP FOR I Hrs Activit 24.0 MIRU RD SC ported By \$0	SEARLE 7,550 Progr BTD: 7502.0 FRACS ity Description SCHLUMBERGE CHLUMBERGER.	Completion Completion ress 0 ER. LOG WITH R Y Completion Completion	\$191,922 Days Perf: ST/CBL/CCL/\ \$1,723		Well T MW ROM PBTD TO Daily '	Otal 0.0 PKR Dep	\$761,720 Visc pth: 0.0 CEMENT TOI \$1,723	
10-07-2008 DailyCosts: Cum Costs: MD Formation: Activity at 1 Start 06:00 10-19-2008 DailyCosts: Cum Costs:	Drilling 7,550 Report Tit End 06:00 Record Drilling 7,550	sported By \$0 \$569,798 TVD PI me: PREP FOR I Hrs Activi 24.0 MIRU RD SC Prorted By \$0 \$569,798 TVD	SEARLE 7,550 Progr BTD: 7502.0 FRACS ity Description SCHLUMBERGE HLUMBERGER. MCCURD	Completion Completion ress 0 ER. LOG WITH R Y Completion Completion	\$191,922 Days Perf: ST/CBL/CCL/\ \$1,723 \$193,645	/DL/GR F	Well T MW ROM PBTD T Daily ' Well T	Otal 0.0 PKR Dep 0 600'. EST	\$761,720 Visc pth: 0.0 CEMENT TOI \$1,723 \$763,443 Visc	? @ 800'.
10-07-2008 DailyCosts: Cum Costs: MD Formation: Activity at 1 Start 06:00 10-19-2008 DailyCosts: Cum Costs: MD Formation:	Drilling 7,550 Report Til End 06:00 Brilling Drilling 7,550	sported By \$0 \$569,798 TVD PI me: PREP FOR I Hrs Activi 24.0 MIRU RD SC Prorted By \$0 \$569,798 TVD	SEARLE 7,550 Progr BTD: 7502.0 FRACS ity Description SCHLUMBERGE HLUMBERGER MCCURD 7,550 Progr BTD: 7502.0	Completion Completion ress 0 ER. LOG WITH R Y Completion Completion	\$191,922 Days Perf: ST/CBL/CCL/\ \$1,723 \$193,645 Days	/DL/GR F	Well T MW ROM PBTD T Daily ' Well T	Otal 0.0 PKR Dep 0.600'. EST Fotal 0.0	\$761,720 Visc pth: 0.0 CEMENT TOI \$1,723 \$763,443 Visc	? @ 800'.
10-07-2008 DailyCosts: Cum Costs: MD Formation: Activity at I Start 06:00 10-19-2008 DailyCosts: Cum Costs: MD Formation: Activity at I	Drilling 7,550 Report Til End 06:00 Brilling Drilling 7,550	sported By \$0 \$569,798 TVD PI me: PREP FOR I Hrs Activi 24.0 MIRU RD SC ported By \$0 \$569,798 TVD PI me: WO COMPL	SEARLE 7,550 Progr BTD: 7502.0 FRACS ity Description SCHLUMBERGE HLUMBERGER MCCURD 7,550 Progr BTD: 7502.0	Completion Completion ress 0 ER. LOG WITH R Y Completion Completion	\$191,922 Days Perf: ST/CBL/CCL/\ \$1,723 \$193,645 Days	/DL/GR F	Well T MW ROM PBTD T Daily ' Well T	Otal 0.0 PKR Dep 0.600'. EST Fotal 0.0	\$761,720 Visc pth: 0.0 CEMENT TOI \$1,723 \$763,443 Visc	? @ 800'.
10-07-2008 DailyCosts: Cum Costs: MD Formation: Activity at 1 Start 06:00 10-19-2008 DailyCosts: Cum Costs: MD Formation: Activity at 1	Drilling 7,550 Report Tit End 06:00 Report Tilling 7,550 Report Tilling 7,550	sported By \$0 \$569,798 TVD PI me: PREP FOR I Hrs Activi 24.0 MIRU RD SC sported By \$0 \$569,798 TVD PI me: WO COMPL Hrs Activi	SEARLE 7,550 Progr BTD: 7502.0 FRACS ity Description SCHLUMBERGE HLUMBERGER MCCURD 7,550 Progr BTD: 7502.0 LETION ity Description	Completion Completion ress 0 ER. LOG WITH R Y Completion Completion	\$191,922 Days Perf: ST/CBL/CCL/\ \$1,723 \$193,645 Days Perf:	/DL/GR F	Well T MW ROM PBTD To Daily ' Well T MW	Otal 0.0 PKR Dep 0.600'. EST Fotal 0.0 PKR Dep	\$761,720 Visc pth: 0.0 **CEMENT TOI \$1,723 \$763,443 Visc pth: 0.0	? @ 800'.
10-07-2008 DailyCosts: Cum Costs: MD Formation: Activity at I Start 06:00 10-19-2008 DailyCosts: Cum Costs: MD Formation: Activity at I	Drilling 7,550 Report Tir End 06:00 Brilling 7,550 Report Tir Control of the cont	sported By \$0 \$569,798 TVD PI me: PREP FOR I Hrs Activi 24.0 MIRU RD SC sported By \$0 \$569,798 TVD PI me: WO COMPL Hrs Activi	SEARLE 7,550 Progr BTD: 7502.0 FRACS ity Description SCHLUMBERGE HLUMBERGER MCCURD 7,550 Progr BTD: 7502.0 LETION ity Description	Completion Completion ress 0 ER. LOG WITH R Y Completion Completion ress 0	\$191,922 Days Perf: ST/CBL/CCL/\ \$1,723 \$193,645 Days Perf:	/DL/GR F	Well T MW ROM PBTD To Daily ' Well T MW	Otal 0.0 PKR Dep 0.600'. EST Fotal 0.0 PKR Dep	\$761,720 Visc pth: 0.0 **CEMENT TOI \$1,723 \$763,443 Visc pth: 0.0	? @ 800'.

Cum Costs: Drilling		\$569,798		Completion		\$204,957		Well Total		\$774,755	
MD	7,550	TVD	7,550	Progress	0	Days	8	MW	0.0	Visc	0.0
Formation: F		PBTD : 7	502.0		Perf: 6509	'-7302'		PKR De	pth: 0.0		

MESAVERDE/WASATCH

Activity at Report Time: FRAC End

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU CUTTERS WIRELINE & PERFORATE NH FROM 7100'-02', 7060'-61', 7066'-67', 7100'-01', 7121'-22',
			7154'-55', 7163'-64', 7170'-71', 7196'-97', 7222'-23', 7259'-60', 7294'-95', 7301'-02' @ 3 SPF @ 120° PHASING.
			RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 8417 GAL WF120 LINEAR
			W/1# & 1.5# 20/40 SAND, 41087 GAL YF116ST+ W/148900# 20/40 SAND @ 1-4 PPG. MTP 6111 PSIG. MTR 50.9

BPM. ATP 4276 PSIG. ATR 47.5 BPM. ISIP 2450 PSIG. RD SCHLUMBERGER, ELECTRICAL PROBLEMS WITH

BLENDER DELAYED JOB START.

RUWL. SET 6K CFP AT 6950'. PERFORATE Ba FROM 6509'-10', 6535'-36', 6552'-53', 6557'-58', 6568'-69', 6622'-23', 6650'-51', 6722'-23', 6760'-61', 6796'-97', 6845'-46', 6903'-04' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, PCM ENGINE DIED DURING 1 PPG STAGE. COULD NOT KEEP IT RUNNING. OVERFLUSHED. REPLACED PCM. FRAC DOWN CASING W/4189 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 29331 GAL YF116ST+ W/90100# 20/40 SAND @ 1-4 PPG. MTP 6542 PSIG. MTR 51,2 BPM, ATP 4142 PSIG. ATR 44.8 BPM. ISIP 1900 PSIG. LOST GEL LOADING IN 4 PPG STAGE. ABLE TO FLUSH TO DESIGN. RD SCHLUMBERGER. SDFN.

10-25-2008	Rep	ported By	W	HITEHEAD							
DailyCosts: Dril	ling	\$0		Cor	npletion	\$194,317		Daily	Total	\$194,317	
Cum Costs: Dril	lling	\$569	,798	Cor	npletion	\$399,274		Well 7	Total	\$969,073	
MD 7,5	550	TVD	7,550	Progress	0	Days	9	MW	0.0	Visc	0.0
Formation: PBTI MESAVERDE/WASATCH		PBTD : 7	7502.0		Perf : 5117'-	7302'		PKR De _l	oth: 0.0		

End

Start

Activity at Report Time: PREP TO MIRUSU

Hrs

Activity Description

06:00	06:00	24.0 RUWL. SET 6K CFP AT 6450'. PERFORATE Ba/Ca FROM 6128'-29', 6155'-56', 6164'-65', 6182'-83', 6210'-11',
		6222'-23', 6227'-28', 6233'-34', 6271'-72', 6315'-16', 6341'-42', 6411'-12' @ 3 SPF @ 120° PHASING. RDWL. RU
		SCHLUMBERGER, FRAC DOWN CASING W/8443 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 26574 GAL

YF116ST+ W/96400# 20/40 SAND @ 1-4 PPG. MTP 4851 PSIG. MTR 53.1 BPM, ATP 3194 PSIG. ATR 47 BPM. ISIP 1650 PSIG. RD SCHLUMBERGER. JOB START DELAYED FOR PCM REPLACEMENT

RUWL. SET 6K CFP AT 5850'. PERFORATE Ca FROM 5796'-5808' @ 3 SPF @ 120° PHASING. RDWL. RU

SCHLUMBERGER, FRAC DOWN CASING W/4226 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 10384 GAL YF116ST+ W/35500# 20/40 SAND @ 1-4 PPG. MTP 4593 PSIG. MTR 50.3 BPM. ATP 3390 PSIG. ATR 44.3 BPM. ISIP 2450 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5680'. PERFORATE Ca FROM 5577'-83', 5649'-55'@ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/4214 GAL WF120 LINEAR W/1# & 1.5 20/40 SAND, 14674 GAL YF116ST+ W/51900# 20/40 SAND @ 1-4 PPG. MTP 5867 PSIG. MTR 50.8 BPM. ATP 4147 PSIG. ATR 45.1 BPM. ISIP 2000 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5450'. PERFORATE Pp FROM 5408'-5420' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/6978 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 7916 GAL YF116ST+ W/28600# 20/40 SAND @ 1-4 PPG. MTP 6597 PSIG. MTR 50.2 BPM. ATP 5254 PSIG. ATR 37 BPM. ISIP 2250 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5300'. PERFORATE Pp FROM 5117'-18', 5118'-19', 5119'-20', 5125'-26', 5126'-27', 5127'-28', 5149'-50', 5150'-51', 5151'-52', 5172'-73', 5173'-74', 5275'-76' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/4199 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 15762 GAL YF116ST+ W/ 56200 # 20/40 SAND @ 1-4 PPG. MTP 5191 PSIG. MTR 51.3 BPM. ATP 3698 PSIG. ATR 45.7 BPM. ISIP 2350 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 5060'. RDWL. SDFN.

		. Ki	JWL. SET 6	K CBP AT 50	160'. RDWL. S	DFN.					
10-28-2008	Re	ported By	Н	AL IVIE							
DailyCosts: D	rilling	\$0		C	Completion	\$29,278		Dail	y Total	\$29,278	
Cum Costs: I	Prilling	\$569	,798	C	Completion	\$428,552		Well	Total	\$998,351	
MD	7,550	TVD	7,550	Progress	0	Days	10	MW	0.0	Visc	0.0
Formation : MESAVERDE/V	WASATC	H	PBTD:	7502.0		Perf: 5117'	-7302'		PKR De	pth: 0.0	
Activity at Re	port Ti	me: CLEAN	OUT AFTE	R FRAC							
Start Ei	ıd	Hrs A	ctivity Desc	cription							
06:00	06:00		IRU ROYAL JUGS. SDFN		FRAC TREE	. NU BOP. RIH	W/BIT &	t PUMP OFF	SUB TO 506	60'. RU TO DRII	L OUT
0-29-2008	Re	ported By	Н	AL IVIE							
DailyCosts: D	rilling	\$0		C	Completion	\$37,536		Dail	y Total	\$37,536	
Cum Costs: D	rilling	\$569	,798	C	Completion	\$466,088		Well	Total	\$1,035,887	
MD	7,550	TVD	7,550	Progress	0	Days	11	MW	0.0	Visc	0.0
Formation : MESAVERDE/V	WASATC	Н	PBTD:	7502.0		Perf : 5117'	-7302'		PKR De	pth: 0.0	
Activity at Re	port Ti	me: FLOW	TEST								
Start Er	ıd	Hrs A	ctivity Desc	eription							
06:00	06:00	CI					_			50', 6450' & 695 JMPED OFF BI'	
		FI	OWED 9 HI	RS. 32/64" CI	HOKE. FTP 6	50 PSIG. CP 800) PSIG. 54	BFPH. REC	OVERED 48:	5 BLW. 4832 BL	WTR.
		ΤŪ	JBING DET	AIL LENG	ТН						
		PU	JMP OFF SU	лв 1.00°							
		1.	JT 2-3/8 4.7‡	# L-80 TBG	30.98					•	
		XI	N NIPPLE	1.10'							
		16	5 JTS 2-3/8	4.7# L-80 TE	3G 5051.54°						
		Bl	ELOW KB	13.00'							
		L	ANDED @	5097.62' KB	3						
0-30-2008	Re	ported By	Н	AL IVIE							
DailyCosts: D	rilling	\$0		C	Completion	\$2,565		Daily	y Total	\$2,565	
Cum Costs: D	rilling	\$569	,798	C	Completion	\$468,653		Well	Total	\$1,038,452	
MD	7,550	TVD	7,550	Progress	0	Days	12	MW	0.0	Visc	0.0
Formation : MESAVERDE/V	WASATC	Н	PBTD:	7502.0		Perf: 5117'-	-7302 '		PKR Dej	pth: 0.0	

Activity at Report T	ime: FLOW TEST								
Start End	Hrs Activity D	escription							
06:00 06:00	24.0 FLOWED 2	4 HRS. 32/64" CHO	KE. FTP	600 PSIG. CP 11	00 PSIG.	49 BFPH. RI	ECOVERED	1170 BLW. 3662	BLWTR
10-31-2008 R	eported By	HAL IVIE							
DailyCosts: Drilling	\$0	Com	pletion	\$2,565		Daily	Total	\$2,565	
Cum Costs: Drilling	\$569,798	Com	pletion	\$471,218		Well	Total	\$1,041,017	
MD 7,550	TVD 7,55	0 Progress	0	Days	13	MW	0.0	Visc	0.0
Formation : MESAVERDE/WASAT		: 7502.0		Perf : 5117'-	-7302'		PKR De	pth: 0.0	
Activity at Report T	ime: FLOW TEST								
Start End	Hrs Activity D	escription							
06:00 06:00	24.0 FLOWED 2	4 HRS. 32/64" CHO	KE, FTP	540 PSIG. CP 10	000 PSIG.	42 BFPH. RI	ECOVERED	1008 BLW. 2654	BLWTR
11-01-2008 R	eported By	HAL IVIE							
DailyCosts: Drilling	\$0	Com	pletion	\$2,565		Daily	Total	\$2,565	
Cum Costs: Drilling	\$569,798	Com	pletion	\$473,783		Well	Total	\$1,043,582	
MD 7,550	TVD 7,55	0 Progress	0	Days	14	MW	0.0	Visc	0.0
F ormation : MESAVERDE/WASAT		: 7502.0		Perf : 5117'-	-7302'		PKR De	pth: 0.0	
Activity at Report T	ime: FLOW TEST								
Start End	Hrs Activity D	escription							
06:00 06:00	24.0 FLOWED 2 BLWTR.	4 HRS. 32/64 CHOK	E. FTP-	520 PSIG, CP-	1000 PSI	G. 37 BFPH.	RECOVERI	ED 880 BBLS, 1	774
11-02-2008 R	eported By	HAL IVIE							
DailyCosts: Drilling	\$0	Com	pletion	\$2,565		Daily	Total	\$2,565	
Cum Costs: Drilling	\$569,798	Com	pletion	\$476,348		Well	Total	\$1,046,147	
MD 7,550	TVD 7,55	0 Progress	0	Days	15	MW	0.0	Visc	0.0
F ormation: MESAVERDE/WASAT	СН	: 7502.0		Perf : 5117'-	-7302'		PKR De	pth: 0.0	
Activity at Report T	ime: FLOW TEST								
Start End	Hrs Activity D	-							
06:00 06:00	24.0 FLOWED 2 BLWTR.	4 HRS. 32/64 CHOK	E. FTP-	460 PSIG, CP-	800 PSI	G. 25 BFPH.	RECOVERI	ED 599 BBLS, 1	1175
11-03-2008 R	eported By	HAL IVIE							
DailyCosts: Drilling	\$0	Com	pletion	\$2,565		Daily	Total	\$2,565	
Cum Costs: Drilling	\$569,798	Com	pletion	\$478,913		Well	Total	\$1,048,712	
MD 7,550	TVD 7,55	0 Progress	0	Days	16	MW	0.0	Visc	0.0
Formation : MESAVERDE/WASAT		: 7502.0		Perf : 5117'-	7302'		PKR Dep	pth: 0.0	
Activity at Report T	ime: WO FACILITES								
Start End	Hrs Activity D	escription							
06:00 06:00	24.0 FLOWED 2	4 HRS. 32/64" CHO	VE ETD	120 DETC. CD 77	e nero 1	7 DEDIT DE	TOTTED A		TOTAL OF

FINAL COMPLETION DATE: 11/02/08

11-14-2008	R	eported By	y R	ITA THOMAS	3						
DailyCosts: Drilling \$0				Co	mpletion	\$138,500		Daily	Total	\$138,500	
Cum Costs: Drilling		\$569,798		Completion		\$617,413	Well Total		\$1,187,212		
MD	7,550	TVD	7,550	Progress	0	Days	17	MW	0.0	Visc	0.0
Formation: PBTI MESAVERDE/WASATCH		PBTD:	7502.0		Perf : 5117'-	7302'		PKR Dej	oth : 0.0		

Activity at Report Time: FACILITY COST

Start	End	Hrs	Activity Description	
06:00	06:00	24.0	FACILITY COST \$138,500	
12-08-200)8 R	eported	By DUANE COOK/MIKE LEBARON	

	12-08-2008	Ke	portea By	Di	UANE COOK/M	IKE LED!	AKON					
DailyCosts: Drilling \$0				Completion \$0				Daily	Total	\$0		
Cum Costs: Drilling		rilling	\$569	9,798	Com	pletion	\$617,413		Well 7	Cotal	\$1,187,212	
	MD	7,550	TVD	7,550	Progress	0	Days	18	MW	0.0	Visc	0.0
	Formation: I		PBTD : 7	502.0		Perf : 5117'-	7302'		PKR Dep	oth: 0.0		

MESAVERDE/WASATCH

Activity at Report Time: INITIAL PRODUCTION/ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0) INITIAL PRODUCTION: TURNED TO GAS SALES. SITP 1800 & SICP 2000 PSIG. TURNED WELL TO QUESTAR
			SALES AT 11:30 AM, 12/05/08. FLOWING 1200 MCFD RATE ON 12/64" POS CK. STATIC 464. QGM METER
			#7965.

12/07/08 – FLOWED 1039 MCF, 0 BC & 10 BW IN 24 HRS ON 12/64" CHOKE, TP 1800 PSIG, CP 1880 PSIG.

12/08/08 – FLOWED 220 MCF, 10 BC & 11 BW IN 24 HRS ON 12/64" CHOKE, TP 1880 PSIG, CP 2000 PSIG.

12-09-200	8 R	eported	By	MIKE LEBAR	ON						
DailyCosts	Drilling		\$0	C	ompletion	\$0		Daily	Total	\$0	
Cum Costs	: Drilling	;	\$569,798	C	ompletion	\$617,413		Well 7	Total .	\$1,187,212	
MD	7,550	TVD	7,550	Progress	0	Days	19	MW	0.0	Visc	0.0
Formation MESAVERD		Н	PBTD :	7502.0		Perf: 5117'-	-7302'		PKR Dej	oth: 0.0	
Activity at	Report Ti	me: ON	SALES								
Start	End	Hrs	Activity De	scription							

Start	EHU	ins Activity Description	
06:00	06:00	24.0 FLOWED 1 MCF, 0 BC & 0 BW IN 24 HRS ON 12/64" CHOKE, TP 1850 PSIG, CP 1900 PSIG.	

Form 3160-4

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB No. 1004-0137

(August 2007)			BUREAU	J OF LAN								Expires:	July 3	1, 2010
	WELL C	OMPL	ETION O	R RECO	OMPLE	TION RI	EPORT	AND L	.og			ase Serial No. TU01304		
la. Type of	f Well	Oil Well	⊠ Gas V	Well 🔲	Dry [Other					6. If	Indian, Allotte	e or T	ribe Name
b. Type o	f Completion	⊠ N Othe		□ Work C	over [] Deepen	☐ Plu	g Back	☐ Diff.	Resvr.		nit or CA Agre HAPITA WEI		t Name and No.
2. Name of	Operator ESOURCES		E-	-Mail: MIC	Contact KENZIE	: MICKEN	NZIE TH <i>A</i> R@EOG	CKER RESOUR	CES.CO	M		ase Name and		
	1060 E. H VERNAL,	WY 40				3a.		o. (include			9. Al	PI Well No.		43-047 - 39939
4. Location	of Well (Rep	ort locati	on clearly an					s)*		•	10. F N	ield and Pool, ATURAL BU	or Ex	ploratory
At surfa			1959FWL 4					100 0710	74 M/ L 02		11. S	Sec., T., R., M. Area Sec 6	or B T9S	lock and Survey R23E Mer SLB
At top p At total	orod interval r		elow SES SL 1959FW					109.3718	91 W LOII			County or Paris	h	13. State UT
14. Date Sp 09/10/2	oudded	7001	15. Da	te T.D. Rea /30/2008			16. Dat	e Complet A X 05/2008	ed Ready to	Prod.		Elevations (DF 4862 (RT, GL)*
18. Total D	epth:	MD TVD	7550	19	. Plug Ba	ck T.D.:	MD TVD	75	502	20. De	oth Brid	lge Plug Set:	M T	D VD
RST/C	lectric & Oth BL/CCL/VDL	_/GR				nch)			22. Was Was Dire	well core DST run? ectional Su	d? rvey?	No □ No □ No □ No □	Yes (Submit analysis) Submit analysis) Submit analysis)
23. Casing a	nd Liner Reco	ord <i>(Repo</i>	rt all strings					T	221 0	T a.	· · · ·		$\overline{}$	
Hole Size	Size/G	rade	Wt. (#/ft.)	Top (MD)	Botto (ME		Cemente Depth		of Sks. & of Cement	Slurry (BE		Cement Top	*	Amount Pulled
12.250		25 K-55	36.0		_	566		<u> </u>	101				0	
7.875	4.5	00 N-80	11.6		7	550			119	90		8	00	
	<u> </u>				+				<u> </u>					
					i									
24. Tubing							T		1.070	T a:	Τ.	1.0.(10)	T 7	1 D 1 (MD)
Size 2.375	Depth Set (M	ID) P: 5098	acker Depth ((MD) :	Size 1	Depth Set (MD)	Packer De	pth (MD)	Size	De	pth Set (MD)	Pa	acker Depth (MD)
	ng Intervals	0090				26. Perfo	ration Rec	ord		<u> </u>				·
F	ormation		Тор	E	Bottom		Perforated	Interval		Size	1	No. Holes		Perf. Status
A)	WASA	\TCH		5117	7302				O 7302			3		
B)									O 6904		_	3		
<u>C)</u>						_			0 6412			3		
D) 27 Acid F	racture, Treat	ment Cer	nent Sauceze	Etc.				5/96 1	O 5808			3		
	Depth Interva		The state of the s	,		_		unount an	d Type of	Material				
	71	00 TO 7	302 49,669 (
			904 33,520 (
			412 35,017 (
20 Dundana	57 tion - Interval		808 14,610 (GALS GELL	ED WATE	R & 35,500)# 20/40 S	AND						
Date First	Test	Hours	Test	Oil	Gas	Water	Oil O	Gravity	Gas		Product	ion Method		
Produced	Date	Tested	Production	BBL	MCF	BBL	Cort	. API	Grav	rity		FLOWS	EDOI	A MELL
12/05/2008 Choke	12/08/2008 Tbg. Press.	Csg.	24 Hr.	10.0 Oil	220.0 Gas	Water	.U Gas:	Oil	Well	Status	L	1 10000		** ** **
Size	Flwg. 1880	Press.	Rate	BBL	MCF	BBL	Rati							
12/64	SI Interve	2000.0		10	220	11				PGW				
Date First	tion - Interva	Hours	Test	Oil	Gas	Water	Oil	Gravity	Gas		Product	ion Method		
Produced	Date	Tested	Production	BBL	MCF	BBL	Согі	. API	Grav	rity				
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas: Rati		Wel	Status		. —		-

(See Instructions and spaces for additional data on reverse side)
ELECTRONIC SUBMISSION #66006 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

28b. Prod	luction - Inter	val C		-								
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Ga: Gra	s avity	Production Method		
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	We	ell Status			
28c. Proc	luction - Inter	val D										
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Ga: Gra	s avity	Production Method		
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	We	ell Status			
29. Dispo	osition of Gas D	(Sold, used	for fuel, ven	ted, etc.)								
Show tests,	nary of Porou all important including dep ecoveries.	zones of n	orosity and o	contents ther	eof: Corec e tool ope	l intervals and al n, flowing and s	ll drill-stem hut-in pressur	res	31. For	mation (Log) Mari	cers	
	Formation		Тор	Bottom		Descriptions	s, Contents, et	tc.		Name		Top Meas. Depth
WASATC	tional remarks	s (include p	5117	7302					MA UT WA CH BU	EEN RIVER HOGANY ELAND BUTTE SATCH APITA WELLS CK CANYON ICE RIVER		1981 2610 4792 4938 5541 6200 7362
 33. Circle enclosed attachments: 1. Electrical/Mechanical Logs (1 full set req'd.) 5. Sundry Notice for plugging and cement verification 					2. Geologic R 6. Core Analy	-		3. DST Rep	port	4. Direction	nal Survey	
34. I here	eby certify tha	t the forego	-	tronic Subn	nission #6	implete and corre 6006 Verified b RESOURCES, I	y the BLM V	Well Infor	mation Sys	records (see attac	hed instruction	ons):
Name	e (please print) MICKEN	IZIE THACE	KER			Title	OPERAT	IONS CLE	RK		
Signa	ature M	(Eldub	Malbaliss	Than	Mez.	.)		01/05/20				
Title 18 V	J.S.C. Section inited States an	n 1001 and y false, fic	Title 43 U.S titious or frac	.C. Section 1 dulent statem	212, makenents or re	e it a crime for a presentations as	ny person kno to any matter	owingly at within its	nd willfully jurisdiction	to make to any de	partment or a	gency

Chapita Wells Unit 745-06 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

5577-5655	3/spf
5408-5420	3/spf
5117-5276	3/spf

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

5577-5655	18,888 GALS GELLED WATER & 51,900 # 20/40 SAND
5408-5420	14,894 GALS GELLED WATER & 28,600 # 20/40 SAND
5117-5276	19,961 GALS GELLED WATER & 56,200 # 20/40 SAND

Perforated the North Horn from 7100'-02', 7060'-61', 7066'-67', 7100'-01', 7121'-22', 7254'-55', 7163'-64', 7170'-71', 7196'-97', 7222'-23', 7259'-60', 7294'-95', 7301'-02' w/ 3 spf.

Perforated the Ba from 6509'-10', 6535'-36', 6552'-53', 6557'-58', 6568'-69', 6622'-23', 6650'-51', 6722'-23', 6760'-61', 6796'-97', 6845'-46', 6903'-04' w/ 3 spf.

Perforated the Ba/Ca from 6128'-29', 6155'-56', 6164'-65', 6182'-83', 6210'-11', 6222'-23', 6227'-28', 6233'-34', 6271'-72', 6315'-16', 6341'-42', 6411'-12' w/ 3 spf.

Perforated the Ca from 5796'-5808' w/ 3 spf.

Perforated the Ca from 5577'-83', 5649'-55' w/ 3 spf.

Perforated the Pp from 5408'-5420' w/ 3 spf.

Perforated the Pp from 5117'-18', 5118'-19', 5119'-20', 5125'-26', 5126'-27', 5127'-28', 5149'-50', 5150'-51', 5151'-52', 5172'-73', 5173'-74', 5275'-76' w/ 3 spf.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

REPORT OF WATER	ENCOUNTERED	DURING DRILLIN	1G
ILLI OILI OI WALLIN			•

Well name and	d number: <u>CWU</u>	745-06				_		
API number: _	1304739939							
Well Location:	QQ <u>SESW</u> Section	on <u>6</u> 1	ownship <u>9S</u> Range	23E	Cou	nty_UINTAH		
Well operator:	EOG			_				
Address:	1060 E HWY 40			_				
	city VERNAL		state UT zip 84078	_	Ph	one: (435) 781-9111		
Drilling contract	ctor: CRAIGS RC	USTABOU	T SERVICE	_				
Address:	PO BOX 41			_				
	city JENSEN	. <u>-</u> .	state UT zip 84035	_	Ph	one: <u>(435)</u> 781-1366		
Water encoun	tered (attach addi	tional page	s as needed):					
ſ	DEPTH VOL					QUALITY		
	FROM TO		(FLOW RATE OR I	IEAD)		(FRESH OR SALTY)		
			NO WATER	₹		FLUID DRILLED HOLE		
								
Formation top	s: 1		2			3		
(Top to Bottom						6		
	7					9		
	10 _					12		
If an analysis l	nas been made o	f the water	encountered, please atta	ach a c	ору с	of the report to this form.		
11	L - 6 41-1		to to the best of my lynguiles					
			te to the best of my knowled		٥	rationa Clark		
	Mickenzie Tha)	TITLE		rations Clerk		
SIGNATURE W	jelleru I	Machey		DATE	1/5/2	2009		

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM										
Operator:	EOG Resources, Inc.		Operator Account Number: _N	9550						
Address:	1060 East Highway 40			<u> </u>						
	city Vernal									
	state UT	zip 84078	Phone Number: _(435) 781-9145						

Well 1

API Number	Weii	Name	QQSecTwpSESW69S		Rng County 23E UINTAH			
43-047-39939	CHAPITA WELLS UN	NIT 745-06						
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date			
С	10793	4905	9/10/2008			12/1/2008		
Camara and a .	SATCH	7705			·		9/17/0	

Well 2

API Number	Well I	Weli Name			Twp	Rng	County		
Action Code	Current Entity Number			Spud Date		Spud Date		Entity Assignment Effective Date	
comments:									

Well 3

API Number	Well	QQ	Sec	Twp	Rng	County	
Action Code	Current Entity Number	New Entity Number	Spud		te		Lity Assignment Effective Date
Comments:		A A TO A A TO A A TO A TO A TO A TO A T					

ACTION CODES:

- A Establish new entity for new well (single well only)
- B Add new well to existing entity (group or unit well)
- C Re-assign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a new entity
- E Other (Explain in 'comments' section)

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Mic			

Name (Please Print)
Signature

Operations Clerk
Title

9/14/2009 Date

(5/2000)

SEP 1 4 2009



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
http://www.blm.gov/ut/st/en.html

IN REPLY REFER TO 3180 UT-922

August 19, 2009

Debbie Spears EOG Resources, Inc. 600 17th Street, Suite 1000N Denver, CO 80202

Re:

1st Revision to the Consolidated

Wasatch Formation PA "A-H, J" Chapita Wells Unit

Uintah County, Utah

Dear Ms. Spears:

The 1st Revision to the Consolidated Wasatch Formation PA "A-H, J", Chapita Wells Unit, CRS No. UTU63013BM, AFS No. 892000905BM, is hereby approved effective as of <u>December 1, 2008</u>, pursuant to Section 11 of the Chapita Wells Unit Agreement, Uintah County, Utah.

The 1st Revision to the Consolidated Wasatch Formation PA "A-H, J" results in an initial consolidated participating area of 15,981.98 acres and is based upon the completion of Well No. 745-06, API No. 43-047-39939, located in the SE½SW½ of Section 6, Township 9 South, Range 23 East, SLM&B, Federal Unit Tract No. 15, Lease No. UTU01304 as a well capable of producing unitized substances in paying quantities. $\frac{10793}{10793}$

Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the approval of the 1st Revision to the Consolidated Wasatch Formation PA "A-H, J", Chapita Wells Unit, and the effective date.

If you have any questions pertaining to this matter, please contact Leslie Wilcken at (801)539-4112.

Sincerely,

/s/ Becky J. Hammond

Becky J. Hammond Chief, Branch of Fluid Minerals

Enclosure

RECEIVED AUG 2 5 2009